

KYMENLAAKSON AMMATTIKORKEAKOULU  
University of Applied Sciences  
International Business/International Marketing

Sabrina Avavidis

A STRATEGIC MARKETING PLAN TO ATTRACT MORE GERMAN SPEAKING  
TOURISTS FROM CENTRAL EUROPE TO THE CITY OF KOTKA

Bachelor's Thesis 2011

## DEDICATION

This thesis is dedicated to my lecturer Jukka Tyrväinen, an exceptionally good person and lecturer, who inspired many students, including me, with his full of life personality and the extraordinary way of lecturing.

He will surely be missed.

## ACKNOWLEDGEMENTS

I have written this thesis as my final project of two and a half years of studies at the international study program offered by KyUAS. The process of writing this thesis has given me an enormous amount of knowledge from the field of empirical research and marketing tourism. I would like to thank all those who have helped and supported me during my studies, including my lecturers, my fellow students and Birthe Suni from Cursor Oy for commissioning this study.

Moreover, I would like to thank Dr. Jukka Tyrväinen for his valuable guidance at the beginning of this study when it was only an idea. I am equally grateful to Dr. Minna Söderqvist for advising and supporting me while writing it. I would like to thank her for being flexible and understanding with the schedule of the writing process.

Furthermore, I am grateful to Pirjo Schultz and to Riitta Waris for finding time for me to interview them and for opening up about their opinions and points of views. Also, I am thankful to the tourist office of the city of Kotka and Sanna Nikki for helping me.

Then, I would warmly like to thank all my good German friends who helped me immediately when asked with the translation of the questionnaire. Also, I do not forget my friends in Finland who speak German for their valuable help. Thank you all!

Lastly, but most of all, I would like to thank my beloved family and close friends who put up with me during my studies and especially during the writing process of this bachelor's thesis. Particularly, I want to say a big thanks to my father for the financial and moral support every time I need it. I am really grateful that you all exist in my life.

## ABSTRACT

KYMENLAAKSON AMMATTIKORKEAKOULU

University of Applied Sciences

International Business

AVANIDIS, SABRINA

A strategic marketing plan to attract more German speaking tourists from central Europe to the city of Kotka

Bachelor's Thesis

73 pages + 7 pages of appendices

Supervisor

Minna Söderqvist, Principal lecturer

Commissioned by

Cursor Oy, Kotka

February 2011

Keywords

strategic marketing plan, marketing for services, tourism, central Europe, Kotka, German speaking tourists, marketing mix for tourism

This study was commissioned by Cursor Oy, Kotka. The travel market of central Europe is huge. The city of Kotka has the potential to grow in tourism, to draw the attention and to satisfy the needs of German speaking tourists from central Europe.

The aim of the study was to understand the touristic preferences and behaviour of Germans, Austrians and Swiss and create a marketing strategy to persuade them to choose the city of Kotka as a holiday destination. The objective of this research was to compose the right strategic marketing plan for the city of Kotka to attract more tourists from central Europe.

The theories, upon which the thesis was built, range from motivations for tourism to marketing planning process. The empirical part consists of a quantitative questionnaire, which was distributed to tourists from central Europe, and two qualitative interviews, from a German speaking guide and a German citizen and hotel owner of the city.

The findings showed that the city of Kotka is not yet ready to welcome German speaking tourists from central Europe because the tourism services of the city are limited and the interests and needs of the target group have not been considered. A suggested strategic marketing plan was created according to the findings in order to make the city more attractive which includes an analytical marketing strategy.

## TIIVISTELMÄ

### KYMENLAAKSON AMMATTIKORKEAKOULU

University of Applied Sciences

International Business

AVANIDIS, SABRINA

Strategisen markkinoinnin suunnitelma  
saksankielisten, keskieurooppalaisten turistien  
houkuttelemiseksi Kotkan kaupunkiin

Opinnäytetyö

73 sivua + 7 liitesivua

Työn ohjaaja

Minna Söderqvist

Toimeksiantaja

Cursor Oy, Kotka

Helmikuu 2011

Avainsanat

strategisen markkinoinnin suunnitelma,  
markkinointi, matkailu, Kotka, Keski-Eurooppa,  
saksankieliset turistit

Tämä tutkimuksen toimeksiantajana oli Cursor Oy, Kotka. Matkailumarkkinat Keski-Euroopassa ovat valtavat. Kotkan kaupunki pystyy kasvattamaan mahdollisuuksiaan matkailussa ja turistikohdeena se pystyy tyydyttämään saksankielisiä turisteja Keski-Euroopasta.

Tutkimuksen tavoitteena oli ymmärtää saksalaisten, itävaltalaisen ja sveitsiläisten matkailuun ja turismiin liittyviä mieltymyksiä ja käyttäytymistä. Lisäksi tavoitteena oli muodostaa markkinointisuunnitelma, jonka avulla heidät saataisiin valitsemaan Kotkan kaupunki lomakohteeksi. Tämän tutkimuksen tavoitteena oli siis muodostaa Kotkan kaupungille oikea strategisen markkinoinnin suunnitelma, jolla se voisi houkutella lisää turisteja Keski-Euroopasta.

Teoriat, joihin opinnäytetyö rakennettiin, vaihtelevat matkailun motiiveista markkinoinnin suunnitteluprosessiin. Empiirinen osa koostuu määrällisen tutkimuksen kyselylomakkeista, joita jaettiin keskieurooppalaisille turisteille, sekä kahdesta laadullisesta haastattelusta. Toinen haastattelu tehtiin saksankieliselle oppaalle ja toinen Saksan kansalaiselle, hotellin omistajalle; molemmat olivat kotkalaisia.

Tulokset osoittivat, että Kotkan kaupunki ei ole vielä valmis ottamaan vastaan Keski-Euroopasta tulevia saksankielisiä turisteja, koska kaupungin matkailupalvelut ovat rajalliset eikä kohderyhmän intressejä ja tarpeita ole otettu huomioon. Tutkijan tekemä strateginen markkinointisuunnitelma, sisältäen myös analyyttisen markkinointistrategian, perustuu tutkimuksen tuloksiin, joiden mukaan kaupungista saisi houkuttelevamman.

## TABLE OF CONTENTS

DEDICATION

ACKNOWLEDGEMENT

ABSTRACT

TIIVISTELMÄ

TABLE OF CONTENTS

LIST OF FIGURES

LIST OF TABLES

1. INTRODUCTION.....	10
1.1    The city of Kotka .....	11
1.2    Tourists from central Europe .....	12
2. RESEARCH DESIGN.....	15
2.1.    Research focus and limitations .....	16
2.2.    Research question .....	17
3. MARKETING PLAN IN TOURISM SERVICES.....	18
3.1.    Tourism.....	18
3.2.    Buyer behaviour and tourism motivations .....	18
3.3.    Marketing for services.....	20
3.4.    Strategic marketing planning process for services.....	23
3.4.1.    Strategic context .....	24
3.4.2.    Situation review .....	25
3.4.3.    Marketing strategy formulation .....	27
3.4.4.    Resource allocation, monitoring and detailed planning .....	33
4. RESEARCH AND METHODOLOGY .....	35
4.1.    Data collection .....	35
4.1.1.    Questionnaire design .....	37
4.1.2.    Interview structure .....	39
4.2.    Data analysis .....	39
5. EMPIRICAL ANALYSIS .....	39
5.1.    Quantitative research.....	40

5.1.1. Results .....	40
5.1.2. Analysis.....	50
5.2. Qualitative research results and analysis .....	52
6. SUGGESTED MARKETING PLAN BASED ON THE FINDINGS.....	55
6.1. Mission and corporate objectives.....	55
6.2. SWOT Analysis.....	56
6.3. Profile of the target group .....	57
6.4. Marketing objective and marketing strategy .....	58
6.4.1. Customer service strategy.....	58
6.4.2. Cost strategy .....	60
6.4.3. Convenience strategy .....	62
6.4.4. Communication strategy .....	62
6.4.5. People.....	64
6.4.6. Process .....	65
6.4.7. Physical evidence .....	65
6.5. Implementation .....	65
7. CONCLUSIONS.....	66
7.1. Major finding .....	66
7.2. Validity and reliability .....	67
7.3. Suggestions for further research.....	69

## REFERENCES

## APPENDICES

Appendix 1 Questionnaire in English language

Appendix 2 Questionnaire in German language

Appendix 3 Guiding questions of the interview

## LIST OF FIGURES

Figure 1 Logo of the city of Kotka (Official website of Kotka).....	11
Figure 2 Travel motives for holiday trips abroad (Statistics Austria, 2010) .....	13
Figure 3 Source for decision (Publicitas: Swiss travel behaviour).....	14
Figure 4 Research Design .....	15
Figure 5 Stimulus response model for buyer behaviour (Middleton et al. 2009, p. 78) .....	19
Figure 6 Motivation process (Holloway, 2002, p. 66) .....	20
Figure 7 Generic characteristics distinguishing services from goods (Middleton et al., 2009, p. 47).....	21
Figure 8 Strategic marketing planning process for services (McDonald & Payne 1997, p.30).....	23
Figure 9 Constituent parts of the marketing audit (McDonald & Payne 1997, p.80) .....	25
Figure 10 Ansoff's growth vector matrix (Gilligan & Wilson 2009, p.327).....	28
Figure 11 Link between the marketing objectives and the marketing strategies for services (McDonald & Payne 1997, p.133).....	28
Figure 12 Gender distribution .....	40
Figure 13 Age distribution .....	41
Figure 14 Nationality of the respondents .....	41
Figure 15 Duration of stay in the city of Kotka .....	42
Figure 16 Reason of the trip .....	43
Figure 17 Season of the trip.....	43
Figure 18 Type of accommodation .....	44
Figure 19 How the respondents found information about the city of Kotka .....	45
Figure 20 Places of the city of Kotka which the respondents visited or were interested in .....	46
Figure 21 Activities which the respondents did/tried or could be interested in trying .....	47
Figure 22 Statements that the respondents had to rank .....	48
Figure 23 If they would recommend the city of Kotka as a tourist destination.....	49



## LIST OF TABLES

Table 1 Examples of the marketing mix in tourism (Middleton at el.,2009, p.141).....	31
Table 2 SWOT-analysis for the city of Kotka .....	56
Table 3 Different activities that can be done in the city of Kotka.....	59
Table 4 Example of pricing for the tourist bus card or ticket .....	61
Table 5 Example of how to use the symbol to show the price level .....	61

## 1. INTRODUCTION

This thesis was commissioned by Cursor Oy, a Kotka-Hamina Regional Development Company, which actively takes part in the future development and promotion of the region. Cursor Oy is owned by the five municipalities of the southern Kymenlaakso region (Kotka, Hamina, Pyhtää, Virolahti and Miehikkälä), local banks and major industrial companies. This thesis focuses only on the city of Kotka and the promising tourism opportunities it has.

The phenomenon is worth studying because the German speaking market in central Europe is big and has numerous potential tourists. Moreover, tourism industry is a growing field of business and a great opportunity to reboot the economy of Kotka. The city has good opportunities for alternative tourism as people are starting to be uninterested with beaches and restaurants full with tourists. I believe that my hometown, the city of Kotka, has beautiful sights and activities that are worth seeing and doing.

The aim of the study is to develop a useful tool to promote the city of Kotka to the German speaking citizens of central Europe. The emphasis of this thesis, in order to make the marketing plan, is to understand the touristic behaviour, the needs, the preferences and the interests of the potential tourists of the targeted countries and to find the strengths and opportunities of the city of Kotka on the tourism sector.

The objective of this thesis is to create a strategic marketing plan on tourism for the city of Kotka. More specifically, the marketing plan will be composed to attract more tourists from central Europe in Kotka city whose main language is German. Moreover, the targeted countries will be Germany, Switzerland and Austria. This study will present a beneficial marketing plan for the city of Kotka based on the finding of the study, in order to meet its goals and to attract more tourists from central Europe.

## 1.1 The city of Kotka

The city of Kotka is situated 130km east of Helsinki, the capital of Finland, on the coast of the Eastern Gulf of Finland. The city was founded in 1878 and currently has about 55,000 residents. It is the second largest city in Kymenlaakso region and there are two centres, the Isle of Kotka (Kotkansaari) and Karhula. The area of the city is 750 km<sup>2</sup> from which 478 km<sup>2</sup> is covered by water. The brochure of Kotka writes that the identity of the city is the water and that is the reason why Kotka's slogan is *Kotka, City by the sea*, as it can be seen from the its logo in Figure 1.



Figure 1 Logo of the city of Kotka (Official website of Kotka)

According to the official website of the city of Kotka, the sea that surrounds Kotka and the Kymi River plays an important part in the life of the residents and tourism. Kotka has an extraordinary archipelago with more than 400 islands of which many are easily accessible by a boat in the summer. The locals say that the sea is the best thing in Kotka according to the official website of the city. Kymi River is also very famous among tourists and residents especially for fishing salmons. Additionally, the river is used for swimming, paddling and its riverside paths which offer memorable natural experiences. The natural aquatic surrounding of the city of Kotka can provide numerous outdoor experiences including sailing, nature excursions, rapids shooting, fishing, and archipelago trips.

Furthermore, Kotka has several nature paths (Santalahti natural path, Räsä-Karhuvuori nature path, Catherine's path) which offer unique experience of the Finnish nature. The city has beautiful parks as well. The most famous and many times awarded park for its environmental structures, illumination and stone construction is The Sapokka Water Park which is located very close to

the centre of Kotka. Other parks are Isopuisto Park and Sibelius Park in the heart of the centre, Katariina Seaside Park which combines the Finnish nature and the sea and the Herb Garden which is located in a small 18th century fortress structure.

The city of Kotka has also interesting museums like Maritime Centre Vellamo which opened its doors in 2008 and attractions like the Maritarium, an aquarium that presents the Finnish underwater wildlife. Moreover, it has to offer various historical sites like the Langinkoski Imperial Fishing Lodge by the Kymi River, and Orthodox Church of St Nicholas at Isopuisto Park, and architecture sights which have architectural strata from several eras.

The city of Kotka is located near the sea and on the estuary of Kymi River and that is why one can experience the Finnish nature and life uniquely there. It is a versatile city which can offer everything that a visitor wishes.

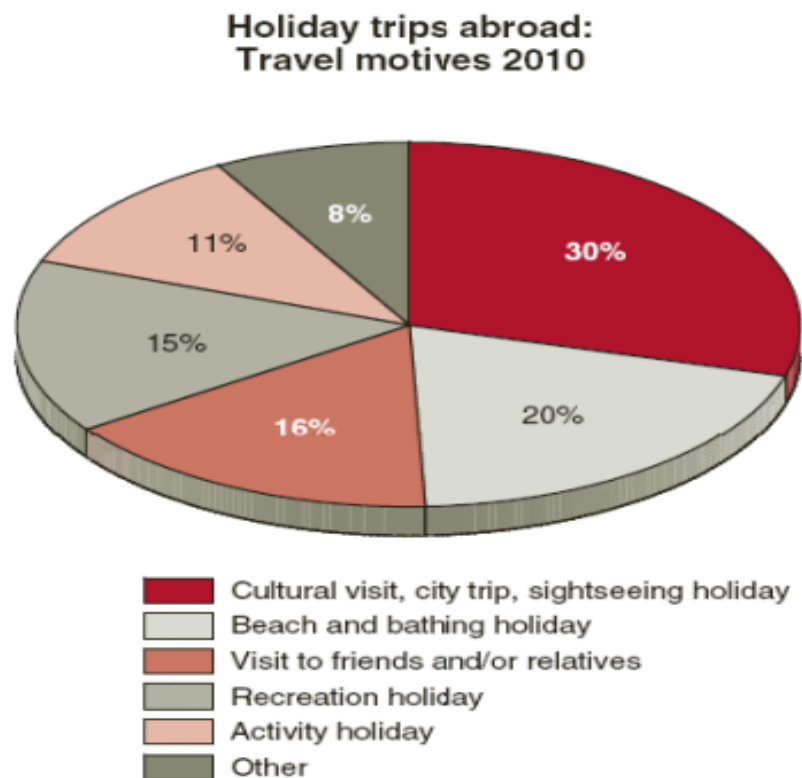
## 1.2 Tourists from central Europe

The target countries of this study are three German speaking countries from central Europe, Germany, Austria and Switzerland. The targeted market from central Europe is huge, counting almost 100 million inhabitants. According to CIA, the world's factbook, the biggest market is in Germany with 81.5 million inhabitants, next is Austria with 8.2 million inhabitants and then Switzerland with 7.5 million inhabitants.

Germans could easily be seen as potential tourists. In 2010, 66.1% of the German citizens are between 15 and 64 years old and 20.6% are over 65 years old. There are 16.2 million people over 65 years old, mostly pensioners who are eager to travel and discover new cultures. Germany is the biggest tourism market if the money spent per capita is counted as they spend more than 1200 million on over-night travelling. (Federal Statistical Office Germany 2010, Travel Behaviour) Unfortunately, a small amount of that is spent in Finland overall. According to the official statistics of Finland only 363,000 Germans visited Finland in 2010 and even less the Kymenlaakso area where the city of Kotka is located. The only information about how many Germans

visited Kotka dates from 2008 when 2,498 German tourists were recorder. (Finnish Tourism Board 2010) The most important motivators to travel in 2010 were to get away from the daily routine and the polluted environment, to spend time with family and to relax (Federal Statistical Office Germany, 2010). Moreover, German tourists are mostly using their own car while travelling or airplane because of the strategic position of Germany has in the middle of Europe.

According to Statistics Austria (2010), Austrians make 16.9 million holiday trips every year within Austria or abroad. The travel intensity of Austrians is as high as 73.5% with an average holiday abroad of 7 nights. Austrians go on holiday mostly during the period July-September, the 36.5% of the trips, and during the period April-June when the 25% of the trips are made. The most important travel motives of Austrians can be seen in the figure 2, where 30% of the travellers choose the destination according to culture and 11% according to activities offered.



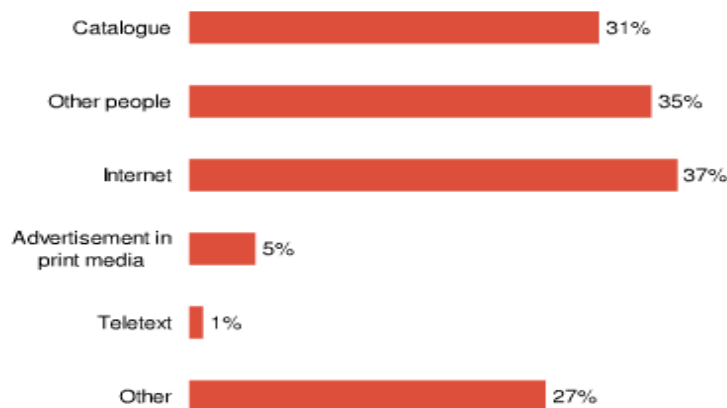
S: STATISTICS AUSTRIA. Holiday and Business Travel. Compiled on 10 March 2011.

Figure 2 Travel motives for holiday trips abroad (Statistics Austria, 2010)

Moreover, 41% chose their own car while travelling and 42% prefer airplanes. Almost half of the Austrians choose a different destination every year. The most important fact when choosing a destination is value for money. Also, requirements for a destination are the conditions of the destination, the convenient offers, good accommodation and good local infrastructure. (Tourism Review, 2011)

According to Publicitas, travelling abroad is very important for the Swiss. More than 89% travelled at least once in 2008 and 17% more than 4 times. The most common booking channel is the internet (32%) second is through a travel agency (29%) and third organized by themselves (22%). Figure 3, shows the most important sources when making the decision for the holiday destination, 37% use the internet as a source, 35% ask opinions of other people and 31% through destination catalogues.

#### Sources for decision



Source: Studie Reiseverhalten Elvia 2008

Figure 3 Source for decision (Publicitas: Swiss travel behaviour)

Half of the Swiss prefer a car while travelling and only 20% prefer airplanes. The preferred season for holidays is summer with 64.2% followed by winter by 42.7%. It is also important to mention that 52.2% prefer a beach holiday at the

sea, 33.5% a family holiday and 23.3% a hiking holiday. (Publicitas: Swiss travel behaviour, 2008)

Although the three countries are different and their culture may not be so similar, they have German as their main language so it would be possible to attract them with the same strategies.

## 2. RESEARCH DESIGN

The research design of the study was designed to provide a clear view of the study to the reader. The research design is shown in Figure 4.

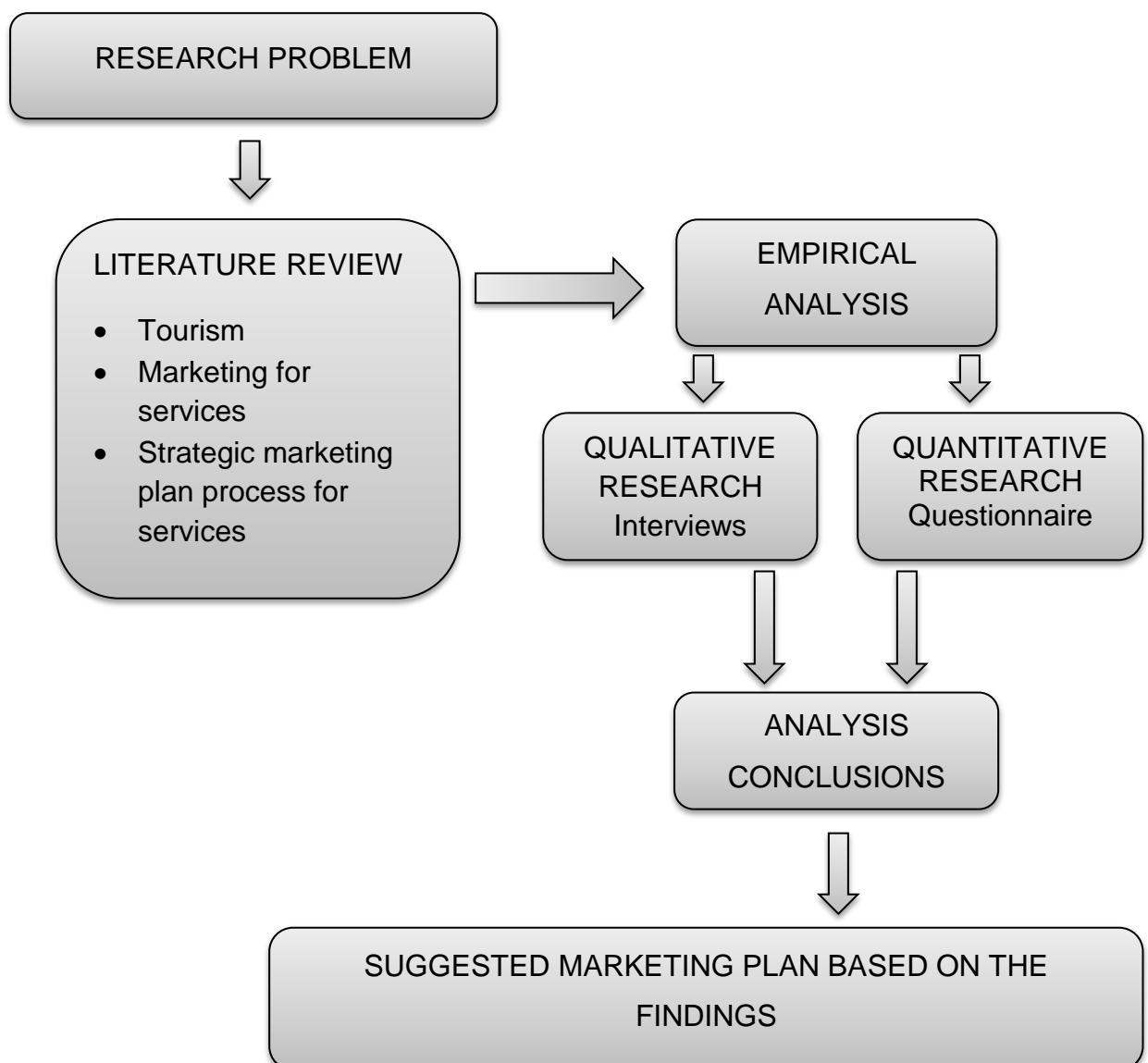


Figure 4 Research Design

First, the research problem will be defined. Then, the literature review will focus on the theoretical study of tourism, marketing for services and strategic marketing planning for services. The empirical study that follows after the literature review will spotlight the needs, wants and expectations of the target group and the opportunities that the city of Kotka has to offer to the tourists from central Europe through the questionnaire. Once the analysis will be done a suggested marketing plan will be made based on the findings from the literature review and the empirical analysis.

## 2.1. Research focus and limitations

The focus of this research is to create a useful and successful marketing plan for the city of Kotka. In this research the focus is not on explaining what is a marketing plan or how important it is to have one, it focuses on how to customize the marketing plan process and create a useful plan to attract tourists from central Europe to the city of Kotka. Moreover, this study is narrowed down by understanding the behaviour of the Germans, Swiss and Austrian as tourists and applying the knowledge to the marketing plan.

There have been many pieces of research about tourism in Finland such as profiling the tourists of Finland and Kymenlaakso, counting the turnovers, strategic plans for the future etc. but nothing concrete about the city of Kotka. A key point that is missing from previous researches is how to develop tourism in a specific area. All the researches are showing the facts about tourism but they do not give the solutions for instance to develop it. All the strategic plans that are made to attract more tourists are generally for the whole of Finland and they do not target a specific target segment as tourists from central Europe. This study was limited to a marketing plan for the city of Kotka to attract German speaking tourists from central Europe in order to produce concrete information.

The research is focused on the marketing plan issues for the city of Kotka. This thesis offers only a solid suggested marketing plan to attract more tourists from central Europe to the city of Kotka; it does not include the actual budget which would be critical for proper implementation. A marketing strategy



by default should contain at least the required budget and the human resources needed so from that prospect this research is also limited.

While conducting the quantitative research the main barrier was to locate the tourists from central Europe who actually have visited the city of Kotka. The questionnaires were distributed to different accommodations through the city in order to overcome the barrier. Another barrier was to find the exact number of Germans, Swiss and Austrian who visited the city of Kotka as this study concentrates on Kymenlaakso region.

## 2.2. Research question

The main research question which is to be answered in this study is:

How to attract more German speaking tourists from central Europe to the city of Kotka?

In order to answer the main question of the study, there is the need to answer the sub-questions which relate to the research topic and the main question.

The sub-questions are the below:

- i. What are the needs and interests of the German speaking tourists from central Europe?
- ii. What are the strengths and weaknesses of Kotka as a tourist destination?
- iii. Which is the best target group?
- iv. Which is the best marketing plan process for a tourism service and how to create one?

In order to answer the research question and the sub-questions it is vital to conduct a literature review from previous studies involving strategic marketing planning in tourism services. Moreover, to support the literature review an empirical analysis through qualitative and quantitative research will be performed.

### 3. MARKETING PLAN IN TOURISM SERVICES

Various books and studies regarding tourism, marketing for services and marketing plan process for services were reviewed. This chapter reviews theoretical concepts about creating a marketing plan for tourism.

#### 3.1. Tourism

Tourism is considered to include any activity concerned with the temporary short-term movement of people to destinations outside the places where they normally live and work, and their activities during the stay at these destinations (Middleton & Clarke 2002, p. 3). Tourism is people leaving the places where they normally live and work and going on certain places to have a short time for leisure, business and other purposes, for a period of less than a year (Holloway 2002, pp. 2-3).

International tourism and domestic tourism are two important categories in tourism industry. International tourism involves tourists traveling and staying in countries other than their normal country of residence for less than a year. Domestic tourism involves tourists traveling and staying overnight within the boundaries of their own country. (Middleton & Clarke 2002, pp. 5-7) This study focuses on international tourism as the purpose of it is to attract more tourists from central Europe to the city of Kotka.

#### 3.2. Buyer behaviour and tourism motivations

The more an organization knows about its existing and potential customers the better it will be able to design the correct marketing plan and implement it. It is critical to understand their attitude and behaviour, to know the needs, desires and motivation of the potential customers in order to stimulate their purchasing decision.

Middleton et al. (2009, pp. 78-79) uses the stimulus-response model in order to explain the buyer behaviour from tourism, as shown in Figure 5.

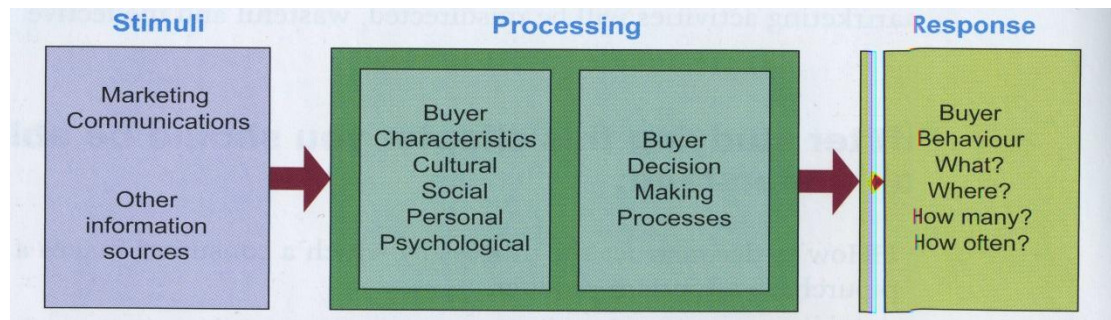


Figure 5 Stimulus response model for buyer behaviour (Middleton et al. 2009, p. 78)

The outline of the stimulus-response is simple to understand and it would appear that it describes best the buying behaviour of potential tourists. First, the prospective customer takes in stimuli and information from the external environment and creates an attitude about the destination. Marketing communication, with all the elements, is responsible for the formal information they potential tourist gets through the advertising, brochure, sales promotion and PR, but the people from the environment of the buyer such as family, friends, and colleagues, are responsible for the informal information which influence the purchase decision. Then, there is the processing stage where the decision of the prospective buyer is affected by personal and social factors. For instance, the culture is a big influencer when a person selects or experiences a tourism service. At the end, the buyer after processing all the information makes the decision about the tourism service; usually the destination he or she wants.

People are motivated to travel in order to take a pause from their everyday life and do something different for a little while to relax and enjoy themselves. Nowadays, travelling is much easier and the tourism destinations countless around the world. The main question about motivation is why they would be motivated to choose the city of Kotka for their holiday destination. Holloway (2002, p. 66) explains the motivation process that can also be seen in Figure 6.

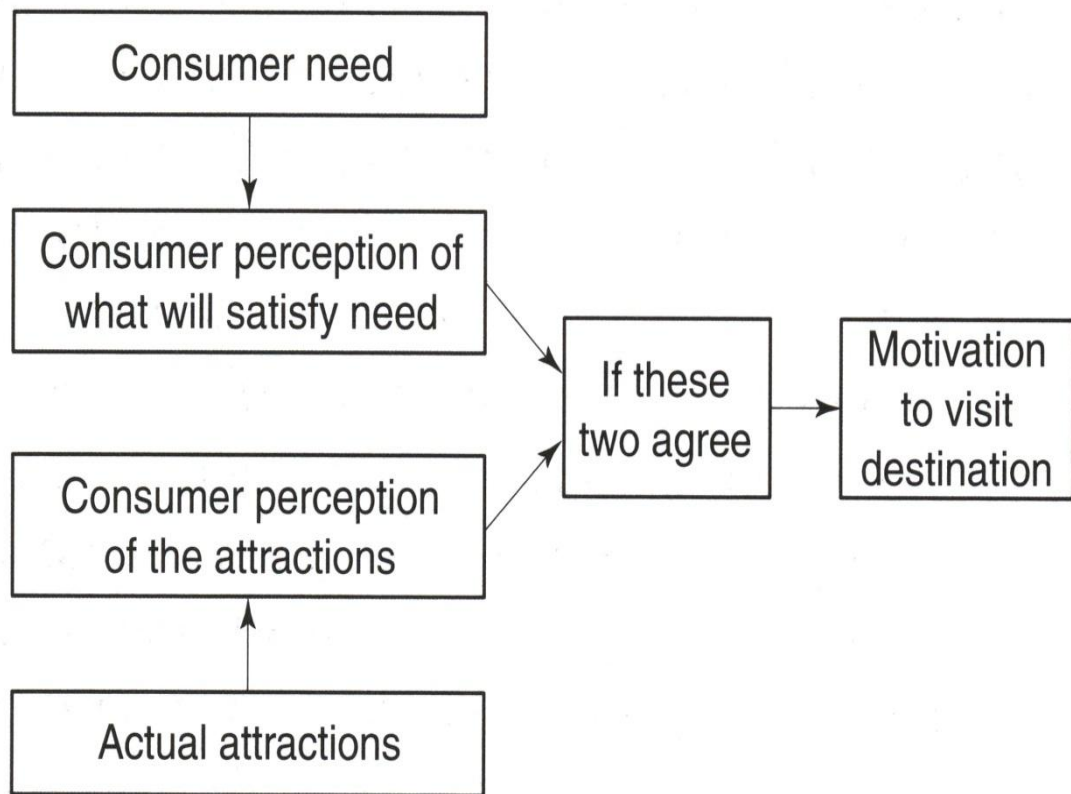


Figure 6 Motivation process (Holloway, 2002, p. 66)

The potential customers understand the needs they will have while on holiday and the ways they could satisfy them. In order to find the final holiday destination they would have to match their wants with the opportunities the holiday destination offers. For that reason, the potential tourists, through the marketing, have to be aware of the destinations and the opportunities they have there. When they find a destination that matches their needs then they are motivated to visit the destination, in this case the city of Kotka.

### 3.3. Marketing for services

Tourism is a service and services differ from physical products. When marketing services the difference between a service and a physical product should be taken into account. Middleton et al (2009) explains the main differences between goods and services in Figure 7.

Goods	Services
Are manufactured	Are performed
Made in premises not normally open to customers (separable)	Performed on the producers' premises, often with full customer participation (inseparable)
Goods are delivered to places where customers live	Customers travel to places where the services are delivered
Purchase conveys ownership and right to use at own convenience	Purchase confers temporary right of access at a prearranged place and time
Goods possess tangible form at the point of sale and can be inspected prior to sale	Services are intangible at the point of sale; often cannot be inspected (other than 'virtually') although broadband Internet has transformed the options in the twenty-first century
Stocks of product can be created and held for future sale	Perishable; services can be inventoried but stocks of product cannot be held
<i>Note:</i> These characteristics are those that apply generally to most services and most goods. In practice, most physical goods are marketed with a strong service element attached.	

**Figure 7 Generic characteristics distinguishing services from goods (Middleton et al., 2009, p. 47)**

Services have four characteristics, intangibility, variability, perishability and inseparability. Intangibility is used in marketing to describe the inability to assess the value gained from participation in an activity that does not use any tangible element. It is used to describe services where there are not any tangible products to touch, taste or see. Service is a performance or experience delivered by the service provider to the service customer which is difficult to evaluate. Variability reminds that services cannot be completely standardized as needs and preferences of the customers change dramatically all the time. Standardization is difficult to achieve in a people based service industry, although low budgeted companies nowadays try to standardize their services as much as possible to reduce costs. Perishability shows that the service cannot be stored or saved for later use, for instance airplane seat. Services expire during the contemporary production and consumption process. Another characteristic is the inseparability. The service is almost always produced and consumed at the same time and for that reason it is very difficult to distinguish the service provider or supplier from the service itself. (Jobber D 2010, pp. 822-25)

Other authors argue that there is also a fifth characteristic that services have, non- or temporary ownership. It would seem that the temporary ownership is a characteristic of the services and especially of the tourism services as the customers do not own the service; they only own it when they use it. For example, when a tourist stays at a hotel he or she owns the room only for the duration of his or her stay. So non-ownership of the services is important to remember when marketing tourism services as customers pay only to use the service or to have access to the service on the place it is provided; they cannot take it with them.

Moreover, even though tourism is a service it differs from the services as it is a combination of services used together most of the time. I could strongly agree with Middleton et al. (2009, pp. 49-53) who points out that difference by adding additionally at least three further characteristics which distinguish services from tourism services to the major four, or five if taken into account the non-ownership, the seasonality, the interdependence and the high fixed costs. Seasonality, as the word already reveals is a characteristic of tourism as the demand of the tourism markets depend on the season. The most common holiday season of the targeted countries is in summer, from June to September, but it is not the only season of tourism. The city of Kotka could offer tourism around the year as the landscapes of Finland in general are different from season to season, beginning with the cold and fairy-tale white winter, then the flowering spring, then the green full of nature summer and then the colourful autumn. Most tourists have to integrate several products and activities in the travel choice so the tourism products interdependent from each other. For that reason partnerships and marketing collaborations are very common and effective in the tourism business. High fixed costs are very common in tourism, as tourism services have to book and prepare everything in advance before the demand is known in order to be able to market and offer good prices, but that way they have the risk not to be able to cover their costs if the turnover of tourist is low.

To sum up, I came to the conclusion that there are seven characteristics which distinguish tourism services from goods and services. These

characteristics are intangibility, variability, perishability, inseparability, temporary ownership, seasonality, interdependence and high fixed costs.

### 3.4. Strategic marketing planning process for services

Strategy stands for knowing where you want to go and then choosing the best way to get there (Gilligan & Wilson 2009, p. 49) Marketing planning is a set of activities which are in a logical order and lead to the desired place, the marketing objectives. The marketing plan is the structure which shows where, when, how and why marketing resources will be distributed and used to achieve the marketing objectives. (McDonald & Payne 1997, p.31) The marketing planning process for services, as show in figure 8, consists of four different phases, the strategic context, the situation review, the marketing strategy formulation and the resource allocation, monitoring and detailed planning. Every phase has different steps which at the end create the marketing plan.

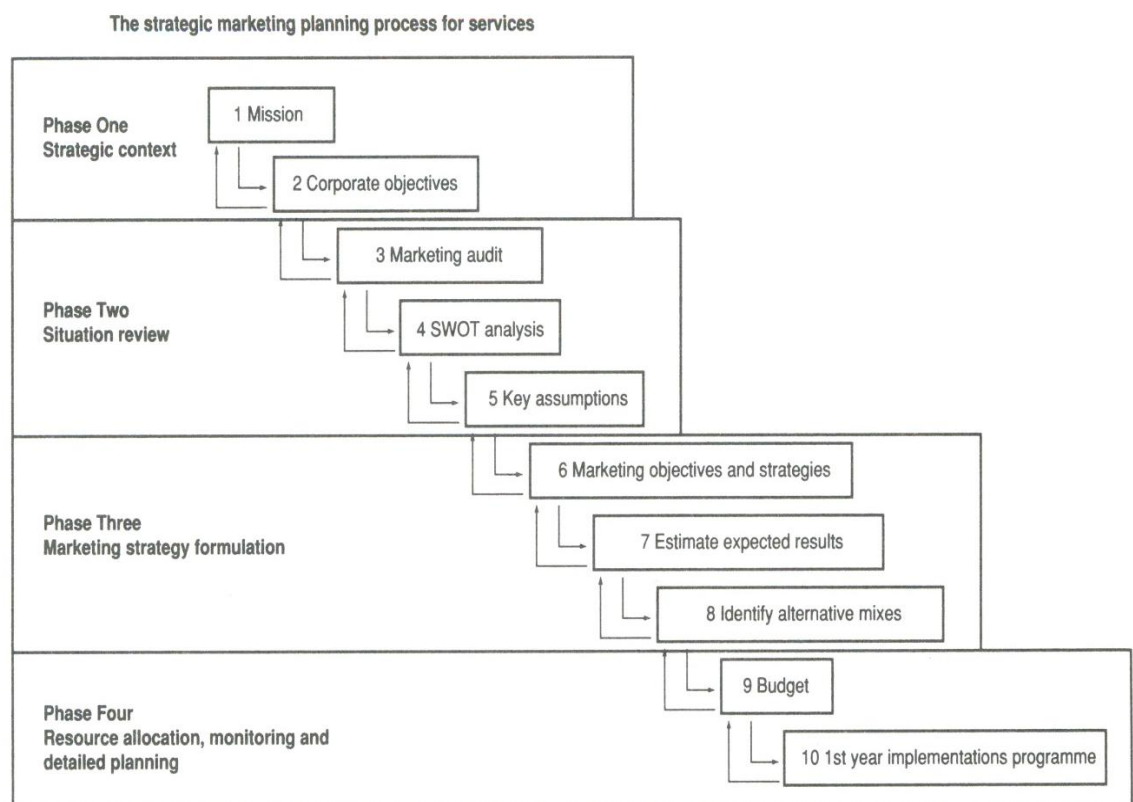


Figure 8 Strategic marketing planning process for services (McDonald & Payne 1997, p.30)



### 3.4.1. Strategic context

The first phase of the marketing planning process is to provide a strategic direction to the plan. In this stage the mission statement of the organization is determined or re-examined and the corporate objectives are clearly defined.

Mission statement is very important in the strategic planning. The mission statement is an enduring statement of purpose to answer the following questions:

- a. Why the organisation exists?
- b. What makes the organization special?
- c. Where is the organization heading?

The mission statement is a useful tool that helps the managers, the employees and the customers to understand the purpose, the direction and the values of the company. Furthermore, the mission statement of an organization should provide a vision of the current and future business activities, inform customers of the competitive values they have over competitors and reflect the image that the organization wants to have. (McDonald & Payne 1997, pp.37, 56-57)

McDonalds (2007, p. 277) defines the corporate objective as the wished destination or ensue. Every corporation when starting its business has goals which should be met within a certain period of time. The corporate objectives are those goals that the organization sets before the marketing planning.

The objectives have to be measurable so that the organization can evaluate how it is performing. Lacking a clear measure can lead an organization to not knowing the direction of its objectives and how good or bad it is processing there. Most commonly, the objectives are expressed in terms of profit as it is globally acceptable as a criterion to evaluate efficiency. It could also be something else though, depending from the nature of the organization, government departments or charities, like economic efficiency or projects completed. (McDonald & Payne 1997, pp.37, 71-72)



To sum up, the purpose of this phase, when taken together, the mission statement and corporate objectives is to provide the strategic context for what follows in the marketing planning process

### 3.4.2. Situation review

The second phase of the marketing planning process is about conducting a situation review. The situation review involves evaluating the future prospects and current circumstances. The situation review includes the marketing audit, the SWOT analysis and the key assumptions.

The marketing audit is a method that an organization could use to analyse its current situation, marketing position and performance. The marketing audit can be divided into external and internal marketing audit as shown in figure 9.

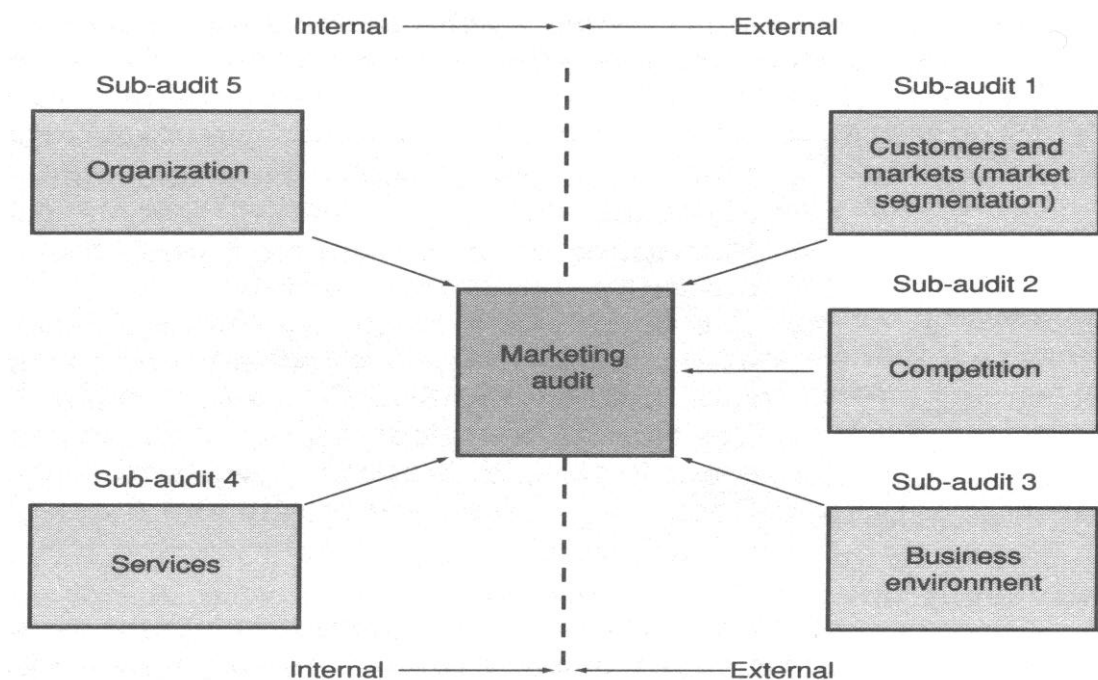


Figure 9 Constituent parts of the marketing audit (McDonald & Payne 1997, p.80)

Kotler and Keller (2009, p. 696) define the marketing audit as a comprehensive, systematic, independent and periodic examination of a company's or business unit's marketing environment, objectives, strategies and activities, with regard to determining problem areas and opportunities and

recommending a plan of action to improve the organizations marketing performance.

Market analysis has two main functions; the first is to find the attractiveness of the market. If the market is challenging and competitors are not earning any profits, then the organization should not invest in the market. The second is to understand and to recognize the opportunities and threats of the market and develop successful strategies. The market analysis must include the study of the market size, growth and profitability. It is important for an organization to know what the size of the market for its products is. The market size depends on buyers who may be interested in a particular product or service. Potential buyers also need to have enough income and access to the product or service provided, thus interest in itself is not enough (Kotler 2000, p.120). The organization must know the sum of sales within the industry during a given period of time and also know the market shares of its competitors. It is important for the organization to try and forecast future trends in the industry to determine if the total sales are increasing or reducing. (Kotler 2000, p.125)

A SWOT analysis is an organized approach of evaluating the strategic position of an organization by defining its strengths, weaknesses, opportunities and threats. It is simple method which combines the results of the marketing audit by resuming the organization's strengths and weaknesses as they link to external opportunities and threats.

In order to benefit from the marketing audit and the SWOT analysis some assumptions should be written. Those assumptions should be few and reflect only the reality of the planning period.

To summarize, this phase using the marketing audit and the SWOT analysis reviews the current situation of the potential market, competitors and customers.

### 3.4.3. Marketing strategy formulation

The third phase of the marketing planning process is maybe the most important. The marketing strategy formulation stage should be completed very carefully as it describes the marketing strategy and the way to achieve them. At this point the marketing objective is set and the marketing strategy is planned in order to achieve the objective. The marketing mix is used to form the marketing strategy. When the marketing strategy is selected the results should be estimated to see if it matches the desired outcome and then identify if any other strategies can be used.

McDonald M. (2007, p.56) emphasises the difference between the objective and the strategy by writing that an objective is what you want to achieve and the strategy how to achieve the objective. It is really important to understand the difference as the terms are usually used together but have different meanings.

The marketing objective is an accurate statement which outlines what should be achieved by the marketing activities. McDonald (1997) explains that according to Ansoff (1968), McKay (1972) and Guiltinan and Paul (1988) there are four main marketing objectives, as also shown in Figure 10:

- a. To sell more existing products to existing market.
- b. To extend existing products to new markets.
- c. To develop new products for existing markets.
- d. To develop new products for new markets.

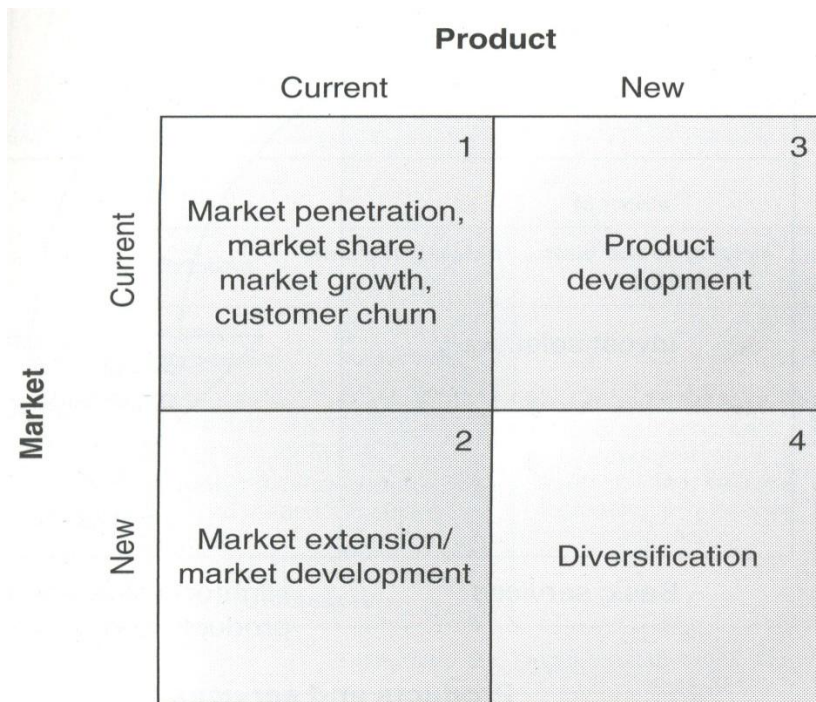


Figure 10 Ansoff's growth vector matrix (Gilligan & Wilson 2009, p.327)

Marketing strategy is the means by which the marketing objective will be accomplished. The means are usually defined by the seven elements of the services marketing mix. (McDonald & Payne 1997, pp.131-32)

Figure 11 shows best the link between the marketing objective and the marketing strategy.

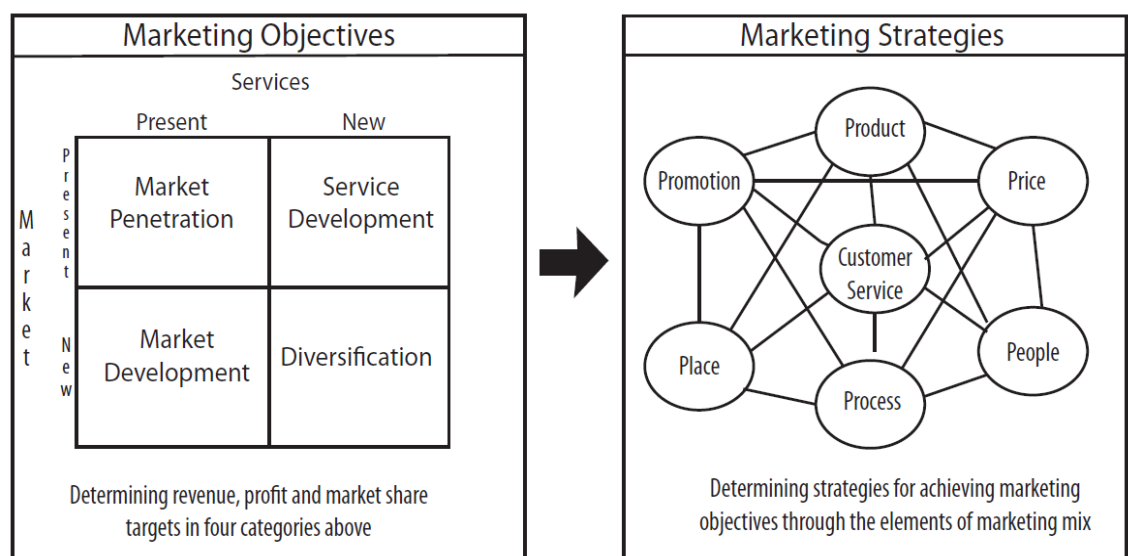


Figure 11 Link between the marketing objectives and the marketing strategies for services (McDonald & Payne 1997, p.133)

The marketing mix is formulated by the main 4P's (product, price, promotion, place) and plus the 3P's (people, processes, physical evidence) which only refer to service marketing mix. Although tourism is a service, as mentioned earlier, tourism services differ from service and so does the marketing mix for tourism services. I agree with Kotler and Armstrong (1999, p.111) who argue that the main 4P's can be replaced with 4C's in order to point out the customer orientation that tourism services have. Product is customer service, Price is cost, promotion is communication and place is convenience. The expanding marketing mix for services, which includes people, process and physical evidence, is also particularly useful for tourism services. Below I describe every element which she believes that is useful for the marketing mix for tourism services separately.

Product, or customer service in tourism services, are the adventures and the experiences that are offered to the customer in order to satisfy their needs, wants and expectations. Usually in tourism, there many different options and experiences the customer could choose which of course affect the price. The customer service includes the packages or extra services that are provided for instance to the tourist for his or hers desired destination. It also contains the service element which means the number, the behaviour, the coach and the look of the staff, who is in the service process and give the product to the customer as they are part of it. Another entail of the customer service, is the branding of the services. To attract more customers the services must have unique name and services which match the expectations of the customers. The products must be identified by the particular set of value that the consumer expects. The customer service/product in business of tourism is continuously changing and updating to meet the changing and demanding needs and wants of the potential tourists. (Middleton, Fyall, Morgan and Ranchhod 2009, pp.139-40)

The price, or otherwise cost, is about how much the customer services offered cost to the customer. Of course, in this process the seller wants to gain more profit and the customer to get better value for money. In tourism there is always a regular price which has room for discounts and special offers. The

cost of package customer services should be diverse so that every customer finds good money for value deal.

Promotion, which is communication in tourism services, or better two-way communication with the interactive customers, is the most see able of all the marketing mix elements. The promotion includes advertising, brochure production, personal selling, sale-force activities, direct mailing, PR activities and internet communication. The reason that the promotion is used is to make the potential customers aware of the services and products offered in order to increase the demand for them. In tourism a wider view of communication includes cooperative relationship information which will reinforce awareness and make existing customers use the service again and again. Communication is a very important element that helps to achieve the marketing objectives but it should be correctly linked to the other elements in order to be productive. (Middleton, Fyall, Morgan and Ranchhod 2009, p.140)

Place, or otherwise convenience, is about how the potential customers access the products. Place means the locations of points of sales of the particular services and products. In tourism it is very important that the services are easily accessible when the potential tourist wants to access them. Travel agencies are one location where prospective customers can get the services but it is not enough. As Middleton et al. (2009, p. 140) says the past ten years the internet and the broadband access have changes the meaning of place as it offers convenient access from all over the world.

The figure 12 on the next page shows examples of the marketing mix in travel and tourism which helps to understand the four elements.

Table 1 Examples of the marketing mix in tourism (Middleton et al., 2009, p.141)

<b>Product</b>	<b>Hotel</b>	<b>Scheduled airline</b>	<b>Museum</b>
Designed characteristics/ packaging	Location/building size/ grounds/ design/room size/ facilities in hotel furnishings/decor/ ambience/ lighting/ catering styles	Routes/service frequency Aircraft type/size Seat size/space Decor, meals, style	Building size/ design/facilities Types of collection Size of collection Interior display/ interpretation
Service component	Staff numbers/ uniforms/ attitudes/ customer responsiveness	Staff numbers, uniforms/attitudes/ customer responsiveness	Staff numbers, uniforms/attitudes/ customer responsiveness
Branding	e.g. Holiday Inn, Marriott, Meridien	e.g. American Airlines, British Airways, Virgin Atlantic	e.g. Tate Gallery (London) Metropolitan Museum (New York)
Image/reputation/ position	e.g. upmarket, downmarket	e.g. reliable, exotic food, badly managed	e.g. dull, exciting, modern
<b>Price</b> Normal or regular price Promotional price (for each product offered)	Rack rates Corporate rates Privileged user rates Tour operator discount rate	First class/ business/tourist fares APEX/bulk purchase fares Standby Charter Consolidated fares	(assuming charge made) Adult rate, senior citizen rate Group/party rates Children rate Friends of the museum rate
<b>Promotion (solo and collaborative)</b> Advertising (television/radio/ press/journals/ web sites) Sales promotion/ merchandising Public relations Brochure production and distribution Sales force	Examples not provided since these are generally self-evident and specific to individual organizations (See Parts Four and Five)		
<b>Place</b> Channels of distribution including reservation systems, third party retailers and web sites	Computerized reservation systems (CRS) Other hotels in group Internet Travel agents Tour operators Airlines free telephone lines	Computerized reservation systems (CRS) Internet City offices Airport desks Travel agents Other airlines 800 telephone lines	Other museums Internet Tourist information offices Hotel desks Schools/colleges

The people component is the important because tourism is all about human interactions. People should be categorized according to how they participate into the marketing process to visitors, employees and host community.

Visitors, the consumers of the product, should be segmented very well to be able to satisfy their need. Holiday visitors have different expectation of the experience offered and for that reason careful segmentation of the market is a must. For instance, it is vital to know if the customers are expecting an affordable self-service buffet or a well-served dinner. Employees, who are part of the sold service, play a huge role into meeting the expectations of the visitors. They are the ones that the customers see and the ones who sell the service at the end to them. It is vital that the staff is trained, well behaved and with the correct behaviour and attitude. Last but not least is the host community, the residents of the tourist destination who interact with the visitors. The friendly or hostile behaviour of the locals can upgrade the experience of the tourist and vice versa.

The process element is common in the final delivery of the service encounter. It is the flow of activities and how standardized or complex the activities are. Other important elements of the value chain such as queue management and visitor-flow techniques, area interpretations, booking systems, and payment systems are examples of the process component of marketing in tourism context. The tourism experience is normally not highly dependent on the quality of service delivery as perceived by the user. (Middleton and Clarke, 2001)

The physical environment is the core element of the tourism product in many aspects of tourism, which is particularly substantial in the context of destinations. However, in the marketing mix context, it refers to the design of the built environment controlled and owned by an organization. Based on the intangible nature of the tourism products, the marketing mix physical evidence is often used to make the offer tangible away from the place of consumption, especially at the point of sale to help influence buying. Physical evidence is significant for underlying principle of concurrent provision and consumption and is used to accomplish various objectives such as contributing to the communication of messages about differentiation, positioning and quality, helps the process of service delivery and it also helps to ease emotional states of behaviour among an organizations staff and communicated values



regarding the organization, brand and product. (Middleton at el. 2009, pp.152-53)

After the marketing strategy is determined the expected results should be estimated. At this point of the planning process the organization should examine whether the marketing strategy will deliver the wanted results. Because the marketing objective and strategy have been now selected the financial outcome should be carefully calculated to see if the expected results match the corporate objectives. If they do not deliver the corporate objectives, the marketing strategies should be reviewed so that the results match the corporate objective.

Even if the principal strategy of every company is perfect there should always be an alternative strategy to support it, and that is why this step exists in the planning process. The SWOT analysis and the key assumptions are re-examined to find if there are alternative marketing strategies to match the objectives. This step might also improve the first marketing strategy.

It is critical to define the marketing objective of the strategic marketing plan and assign the correct marketing strategy to achieve it. The marketing mix, which includes the 7P's, is the best option to form the strategy as it covers every aspect of marketing for services through the elements. After the strategy is outlined it is significant to see if the expected results will match the wanted results and find alternatives strategies to support the main strategy if something goes wrong.

#### 3.4.4. Resource allocation, monitoring and detailed planning

Resource allocation, monitoring and detailed planning is the last phase of the strategic marketing planning process for services where the marketing budget will be determined and the first implementation will be planned.

When the marketing objectives and strategies are finally decided, it is possible to calculate the costs to implement the marketing activities planned. The organization has to know how much money, staff and resources are needed to

complete the budgeting. The budget represents the expenses of individual marketing mix elements evaluated carefully to achieve desired objectives and targets. (McDonald, 2007, pp. 57-58)

When the organization has obtained all the necessary information about its potential customers and the market, and has settled the budget, then the next step is the implementation because it gives the whole process meaning. Through the implementation the theory is put into practice. At this stage of the planning process, the organization has to know the schedule and the responsibilities for the marketing activities, has calculated the breakeven point, described the roles and functions within it and explained contingency plans for managing unexpected challenges and opportunities. Also, the products should have been launched.

The marketing effort results should be monitored closely as markets change constantly. If the market changes the marketing mix should be modified to accommodate the changes. Usually, minor changes in consumer wants can be addressed by changing the advertising message. As the changes become important, an entirely new product or product redesign may be needed. Organizations should continually monitor the implementation process and adapt if any changes occur in order to satisfy customer needs. (McDonald & Payne 1997, pp. 144-46)

To conclude, the last phase is crucial as it puts the whole plan into practice. The plan has to be monitored, the needed resources have to be allocated and the detailed planning for the implementation should be made. It is vital to set the proper budget and make the correct steps when at the implementation of the plan.

To review, the marketing plan process is divided to four different stages. In the first stage the corporate objectives and mission are defined. In the second phase research about the potential market and customers is done in order to identify the current situation. The third stage is about defining the marketing objective and finding the best marketing strategy to complete it. At the last stage, all the plans are monitored and evaluated and the theory is finally put

into practice. Every stage is very important in order to make a successful strategic marketing plan.

#### 4. RESEARCH AND METHODOLOGY

This chapter will explain how the research is conducted. This research is based on both quantitative and qualitative research methods. Both research methods are suitable for this thesis and provide information from two different points of view.

The quantitative research is conducted with data collected from a large amount of questionnaires which is analysed by using statistical techniques. Quantitative research method is suitable for this thesis as information from the tourists who have visited the city of Kotka was required in order to understand their wants and needs and to hear their opinions about the city of Kotka. The questionnaire is a useful tool because it gives the opportunity to gather information from as many people as possible. The questionnaires were answered by German speaking tourists from central Europe who visited the city of Kotka this year.

On the other hand, qualitative research is also suitable for this study. Qualitative research provides a holistic and detailed view of the research problem by integrating many variables but interviewing only few respondents (Hollensen 2010, p. 89). Qualitative research method is suitable because the study also requires in-depth information about the services provided currently to the tourists and the experiences of the tourists who have visited the city. Two key persons were interviewed to collect that data.

##### 4.1. Data collection

The theoretical information relevant to the research, which was presented on the previous chapter, was collected from books, various computerized databases and internet resources. In order to collect the data reliable sources

were used which were up-to-date, especially the internet resources which offers the latest information available on any issue.

Moreover, a questionnaire was the main tool used to gather quantitative information. The questionnaire is designed for the tourists from central Europe who have visited the city of Kotka to describe their experiences, attitudes, expectations of the tourism services in Kotka and their suggestions to improve them. So the target groups of the quantitative research were exchanges students and tourists from Germany, Austria and Switzerland.

The questionnaire was available on an electronic version and on a paper version. The electronic version was used for the exchange students from the targeted countries as it was easy to locate them and get their emails from the university database. The printed version was used for all the other tourists who visited Kotka. The questionnaire was given out at the beginning of May and the responses were collected in the middle of September. The printed versions were distributed to the tourist info of Kotka, the Sokos hotel, the Santalahti resort and the Kärkisaari Villa. Also some responses came from organized groups who were on holiday in Finland and got a guided tour to some of the attractions of Kotka. Unfortunately, the number of German speaking tourist in the city of Kotka is limited so the responses were fewer than expected as well. The questionnaire had 16 questions of which 14 were multiple choice questions and 2 open-end questions. The questionnaire is translated to German so that it would be more convenient for the respondents. It took an average of 10 minutes to complete it and there was a total of 46 responses in the duration of 4.5 months when the questionnaire was available. The data collected from the questionnaire was very important as they answered the first sub-question about the needs and interests of the tourists from central Europe. The results from the survey will be presented on the following chapter.

Furthermore, interviews were also used to collect information from the qualitative point of view. The interviews were carried out personally by me by using an unstructured interview method. I used the most open-ended approach of the interviewing because it was the best way to collect as much

information as possible from the key person she chose to interview. Even though the interview did not have any set format both of the interviewees were very talkative and the result was better than expected.

The first interview took place on the 19<sup>th</sup> of August with Riitta Waris, a German speaking guide of Kotka, and lasted about one hour. The German speaking guide was chosen to be interviewed because she could best present the interest and needs of the tourists from the target group. Her experiences with the targeted tourist segment gave useful depth information about the attitude and behaviour of the tourists from central Europe. The second interview was on the 21<sup>st</sup> of August with Pirjo Schultz, who runs the Villa Kärkisaari bed and breakfast hotel in the city of Kotka. I selected an entrepreneur of the city of Kotka as a second interviewee, because she could provide her opinions and experiences from the business point of view. I specifically chose Pirjo Schultz because she herself is a German citizen, she has lived for more than 20 years in Germany and her business hosts people from the target group. Both interviews were recorded so that the interviewer could concentrate on the actual interview than on the note-taking. Afterwards, the interviewer used the recorded data to make the analysis. The interviews were conducted in Finnish and translated into English in order to analyse them and report them.

#### 4.1.1. Questionnaire design

The questionnaire (Appendix 1) was designed to collect the attitudes and preferences of the German speaking tourists from central Europe towards the city of Kotka. It was translated into the German language (Appendix 2), as the target group for the questionnaire were German speakers, so that it would be easier and more convenient for the respondents. The questionnaire had sixteen questions and took about 10 minutes to complete. It was divided into two parts, the actual questions and the background information of the interviewee.

The first question was based to gather information about how the tourists from central Europe who visited Kotka got the information about the city. Through

this question I got an idea how the current tourists were attracted to the city of Kotka.

The questions two, three, four and five collected information about the places they visited, the activities that they did or tried and the places and activities they could be interested in. It is important to see what kind of sights the tourists from central Europe are keen on visiting and what Finnish activities they would be interested to try. The main places and activities were listed and the respondent could choose more than one, but there was also the other option where they could mention any place or activity not listed.

Question number six was concentrating into the community of the city of Kotka. The respondents had to score from one to five, with five being the highest, how much they agreed and disagreed with statements concerning the transportation system, the general level of prices, the friendliness of the residents, the variety of the services offered and the accommodation. These statements gave a general outlook of how friendly and attractive is the environment of Kotka.

The seventh question of the questionnaire was an open-ended question in which the respondents could suggest improvements or developments to the city of Kotka and point out the missing concepts of the city. This question gave the opportunity to the respondents to express their preferences and underline what was missing from the touristic experience.

Question number eight was about asking if the respondents were happy with their visit and if they would recommend the city of Kotka to other people. It was important to know why they would not recommend so if the response was no they were asked to write at least one reason. I believe that from the no answers the city of Kotka, meaning the people who run the touristic point of view of the city, can learn and develop the city.

The ninth question was an open-ended question which encourages the respondent to write any comment about the questionnaire or the tourist experience of the city of Kotka freely.

The rest of the questions in the questionnaire were background info questions. The background information included basic questions such as age, gender, nationality and accommodation type, but also questions referring to the actual visit such as duration, reason, and season of the trip. All the information gathered from the background questions helped to profile the target group for the suggested marketing strategies.

#### 4.1.2. Interview structure

As mentioned before, an unstructured, open and informal form for the interviews was used in order to collect as much information as possible and let the interviewees express themselves and say what they think freely. This type of interviewees is useful to examine a topic broadly that is why I believed that discussing with the interviewees would produce more useful information. Although the interviews were unstructured I had some guiding questions in order to lead the conversation and get at least the most important information (Appendix 3).

#### 4.2. Data analysis

After the data was collected they needed to be analysed. During my studies I got familiar with analysing quantitative and qualitative research. For the quantitative research two different IT tools were used, the SPSS software for analytics and MC Office Excel. For the qualitative research various techniques learned from books were used.

### 5. EMPIRICAL ANALYSIS

In this chapter I will present the results from the quantitative and qualitative researches and will analyse them in order to create the most suitable marketing plan on the next chapter.

## 5.1. Quantitative research

In this subchapter I present the results from the questionnaire. In order to be able to present and analyse the results, SPSS and Microsoft Excel programmes were used.

### 5.1.1. Results

The questionnaire got answered 46 times from the beginning of May till the middle of September when it was available. As can be seen from Figure 12, the gender distribution of the responses was almost equal as 52% of the respondents were males and 48% females.

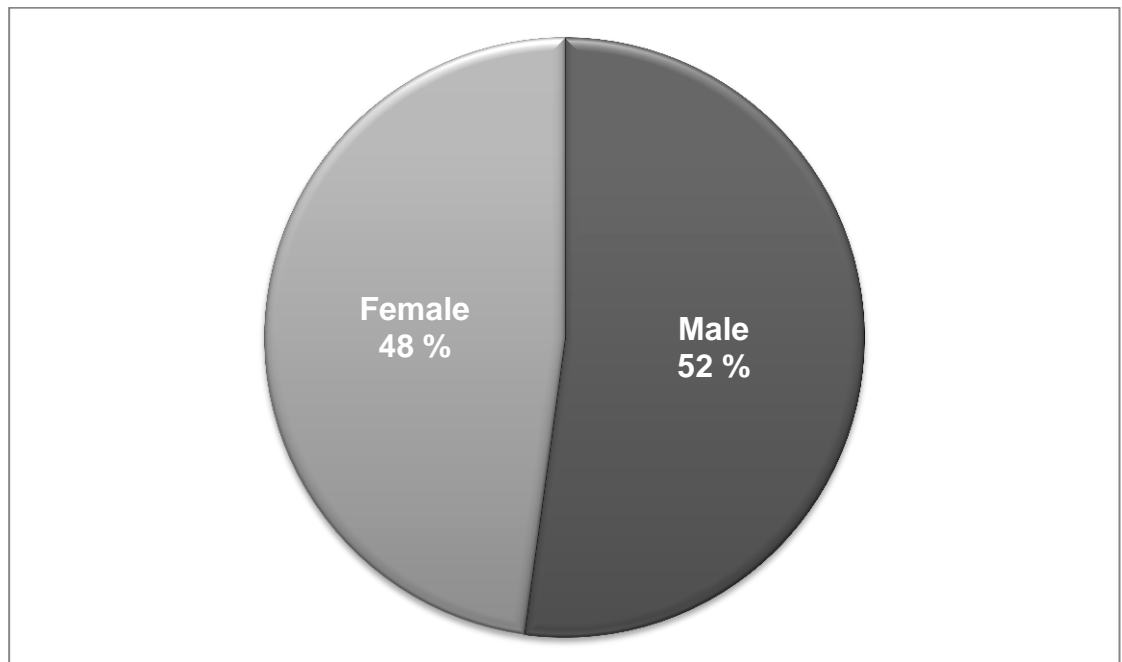


Figure 12 Gender distribution

I created five groups to categorize the ages of the answerers as shown in Figure 13.



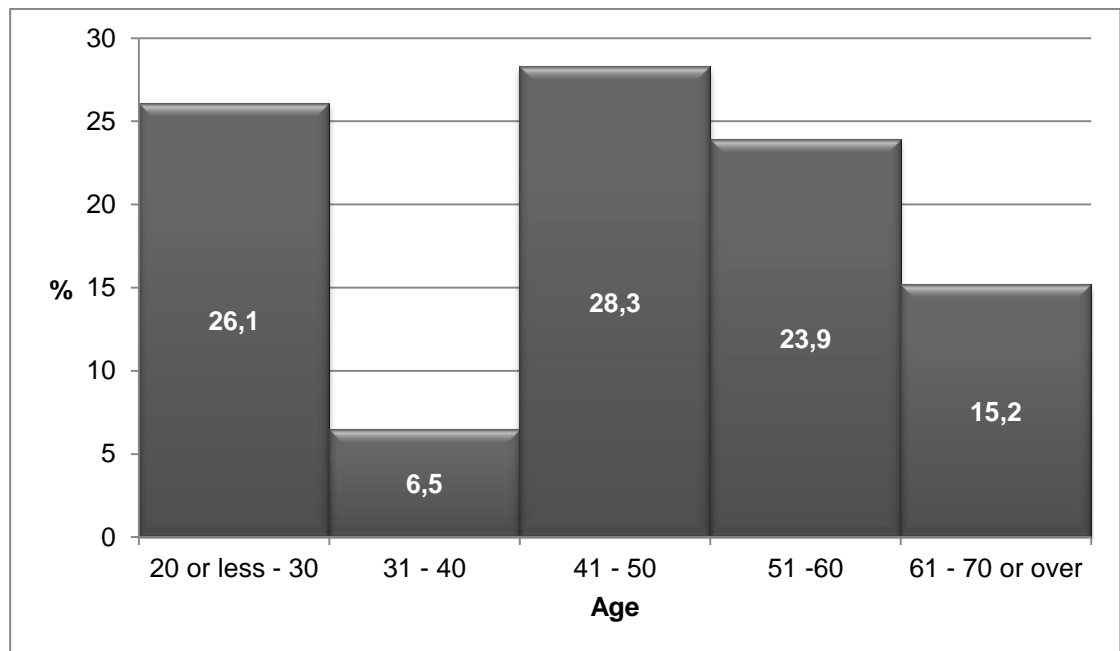


Figure 13 Age distribution

The youngest person of the survey was 22 years old and the oldest was 70 years old. It is surprising that more than 67% of the respondents were over 41 years old. It is surprising that more than 67% of the respondents were over 41 years old and more that 50% were between 41 and 60. The average age of the respondents was 45 years old. All the respondents under the age of thirty where exchange students of Kymenlaakso University of applied sciences and the reason for visiting Kotka was to study.

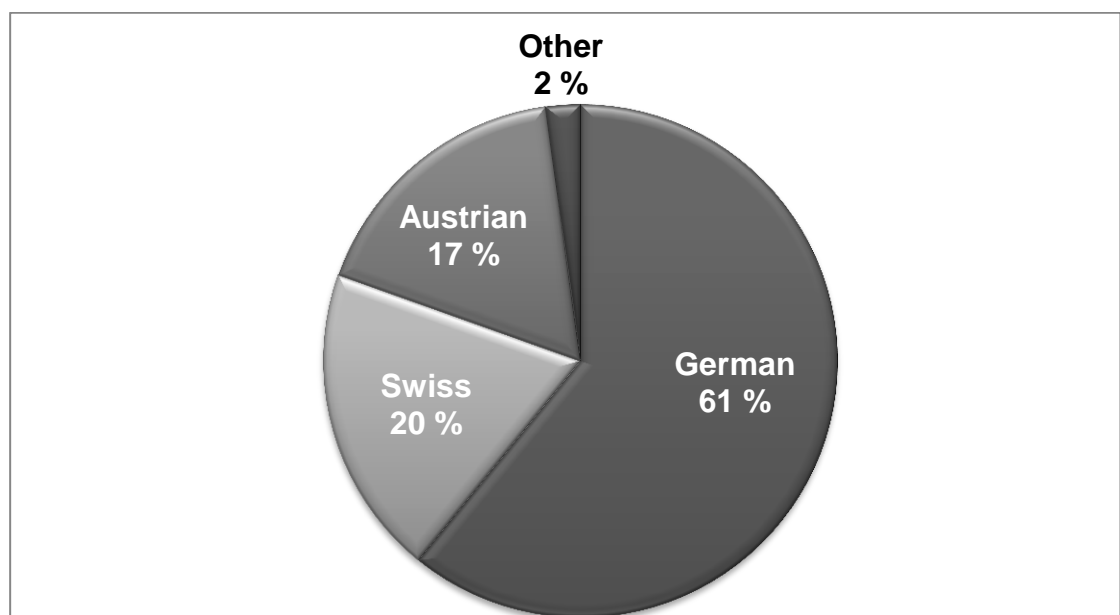


Figure 12 Nationality of the respondents

The target group of the questionnaire was Germans, Swiss and Austrian. Figure 14 shows the nationality of the respondents. There was one response from a citizen of Netherlands which formed the 2% of the non-targeted group.

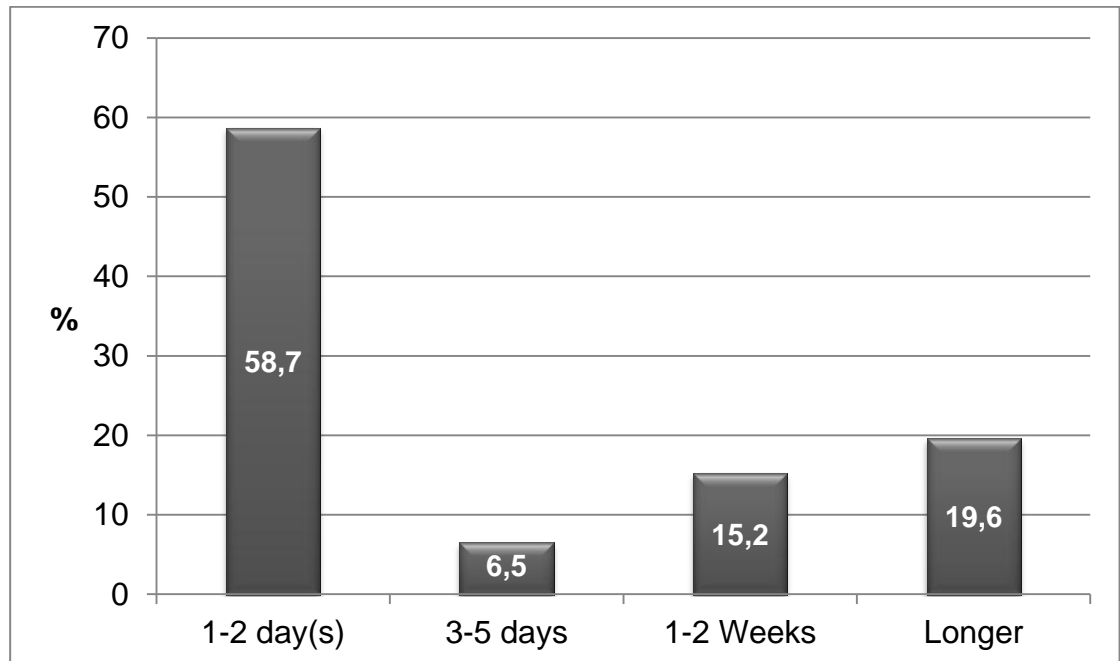


Figure 13 Duration of stay in the city of Kotka

58.7% of the respondents stayed only for 1 or 2 days and almost 20% for longer than 2 weeks as shown in Figure 15. All the respondents who spent more than 2 weeks were exchange students. Also a surprising 15.2% stayed for 1 or 2 weeks.

The next figure, Figure 16, shows the reason of the trip. 46.7% of the respondent visited Kotka for leisure.

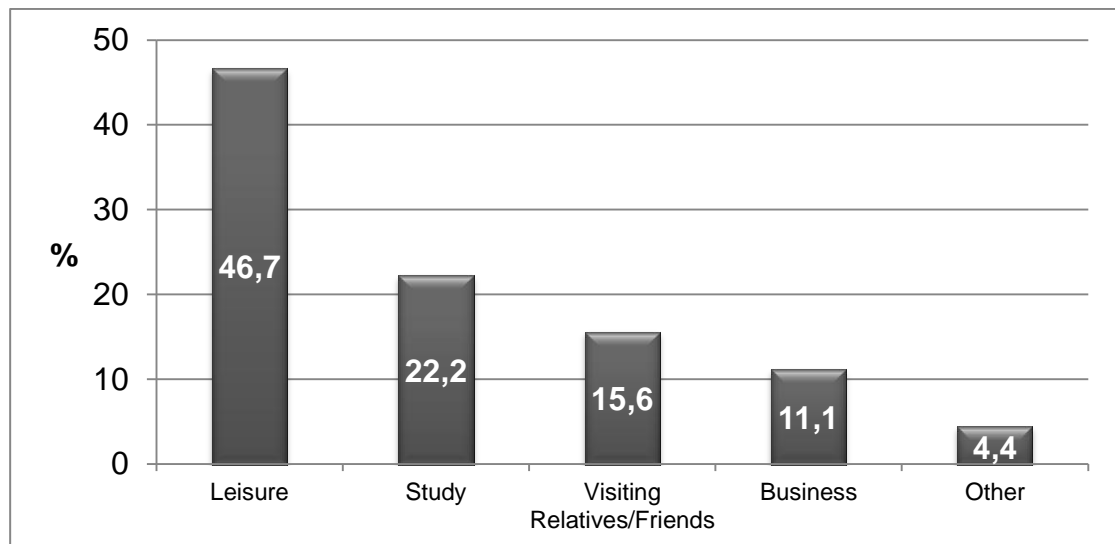


Figure 14 Reason of the trip

One fifth of the respondents who visited Kotka for a longer period were students. Visiting friends or relatives was also by 15.6% reason of the trip and only 11.1% were on a business trip. The other responses which formed 4.4% were round trips around Finland where Kotka was a passing point.

Figure 17 shows the season when they visited the city of Kotka. Southern Finland is usually more popular in summer and as shown also 69.6% of the respondents visited Kotka in summertime. The next season with the most visits was autumn. Only few visited Kotka in wintertime.

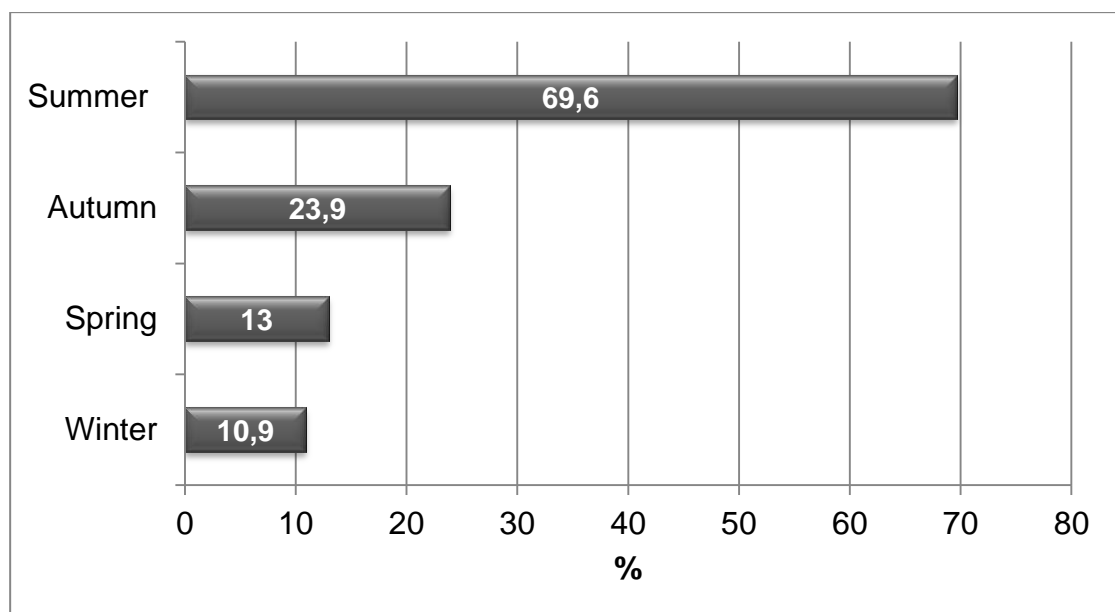


Figure 15 Season of the trip

The last background question of the questionnaire was about the accommodation. Even though most of the respondents stayed only for one night they all used accommodation. As it is shown in Figure 19, 54.3% stayed in a Hotel. The hotel mentioned in the questionnaire was the Seurahuone Sokos hotel and the Villa Kärkisaari hotel. The questionnaire was distributed in both of the hotels.

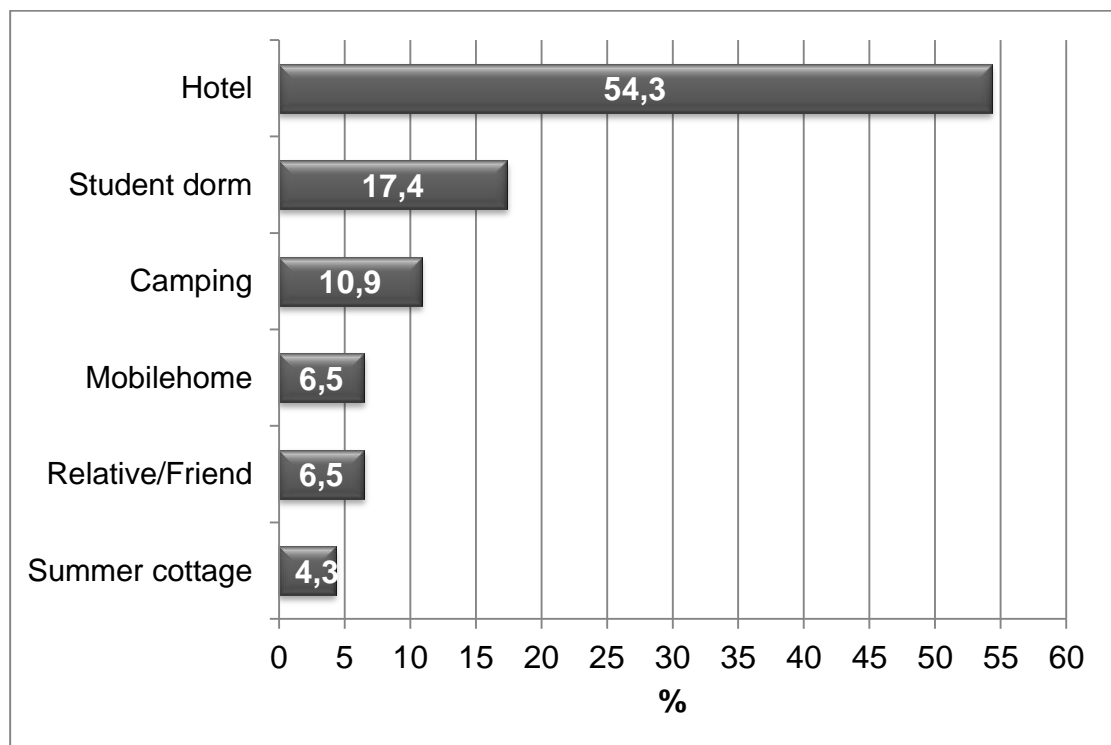


Figure 16 Type of accommodation

All the exchange students used a student's dorms for their stay. Only 6.5% stayed at a friend's or at a relative's house even though 15.6% visited Kotka in order to see friends or relatives. Only few stayed on a traditional Finnish summer cottage.

The questionnaire continued with questions regarding their place of interest, preferences, attitudes and needs.

It was important to know how the tourists who made the decision and visited Kotka got the information about the city. A surprising 41.3% received information about the city of Kotka through friends which shows the power of

word-of-mouth. The second source was the internet with every forth tourist getting information about Kotka from there. Figure 19 shows the other information sources. Some respondents found information through a travel book of Finland, business contacts and one respondent visited Kotka by accident while travelling by mobile home in Finland.

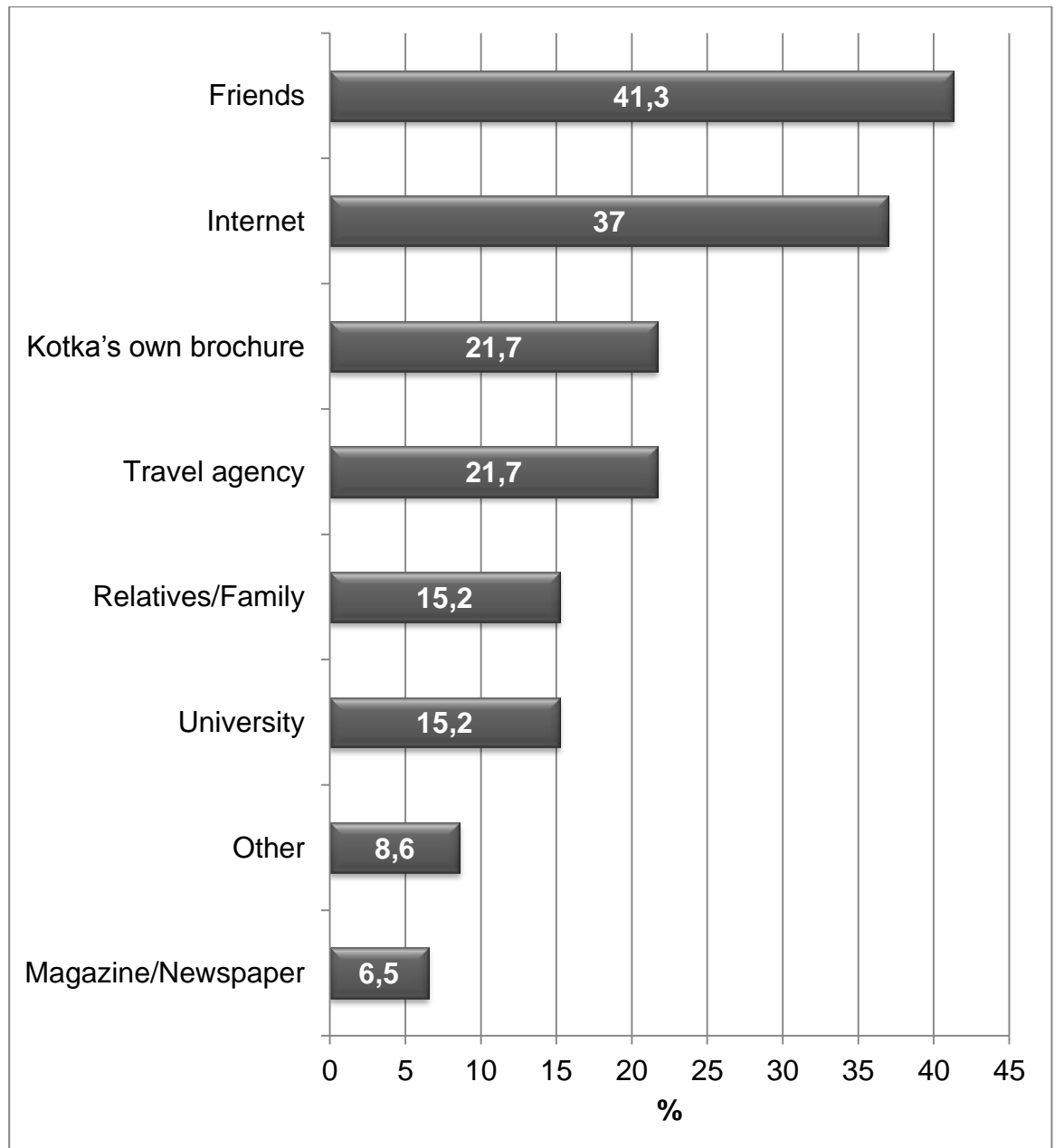


Figure 19 How the respondents found information about the city of Kotka

The questionnaire continued with questions regarding their interests and opinions. Figure 20 shows the places which the respondents visited and the places they could be interested about. The most visited attraction which

65.2% of the respondents visited was the parks of Kotka and the least was Haukkavuori lookout tower with only 10.9% even though the interest on it was more than 40%.

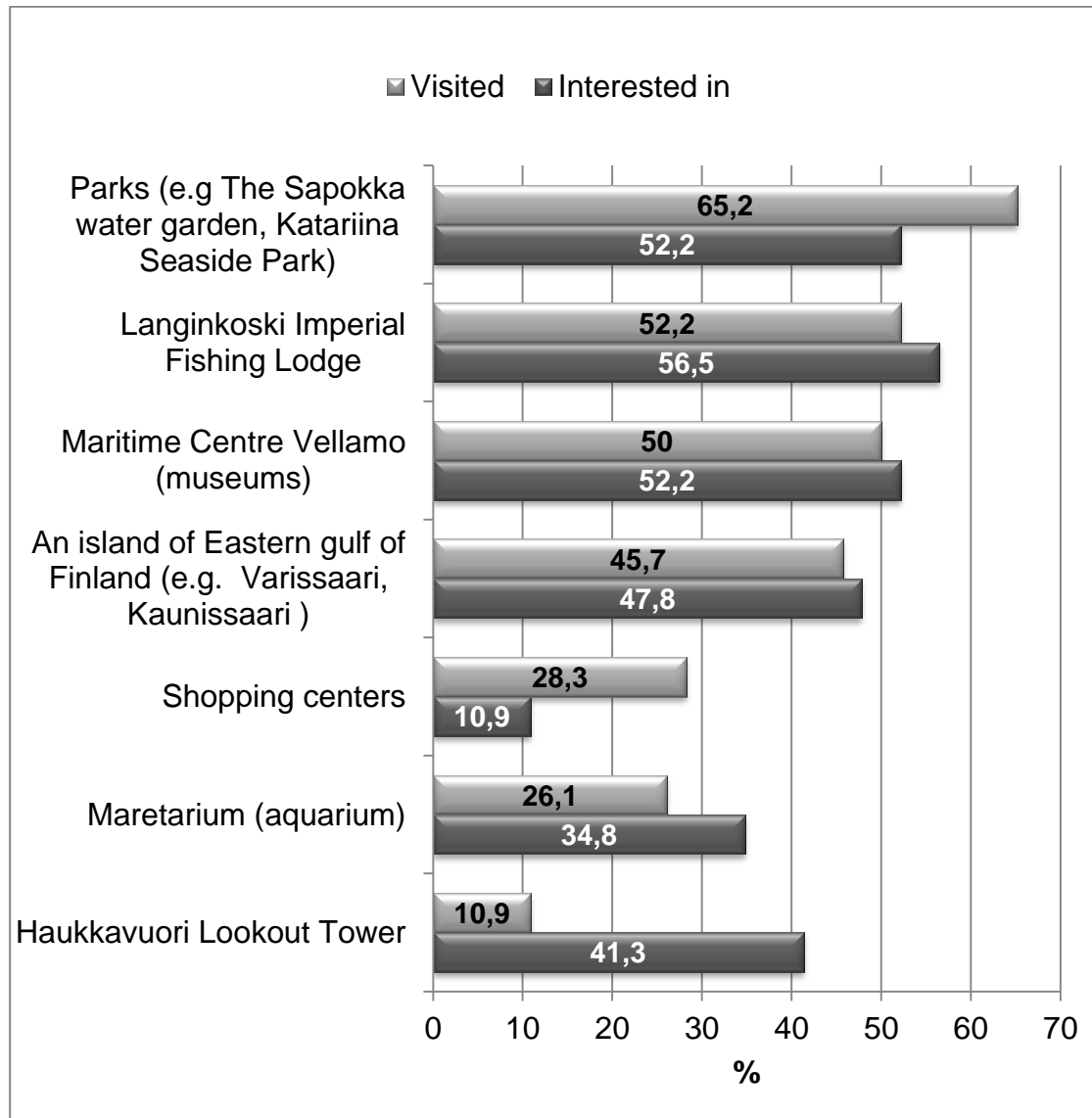


Figure 20 Places of the city of Kotka which the respondents visited or were interested in

The attraction that could interest them the most was Langinkoski Imperial Fishing Lodge and less the shopping centres. It is surprising that only every other tourist visited the new Maritime Centre Vellamo museum and only every fifth the Maretarium aquarium.

On the next figure, Figure 21, can be seen the activities that the respondents did or tried and the activities they would like to try. It is surprising that

shopping was the most popular activity. Shopping at the same time was the only activity with a negative ratio between the activities that were tried and the activities that they could be eager to try.

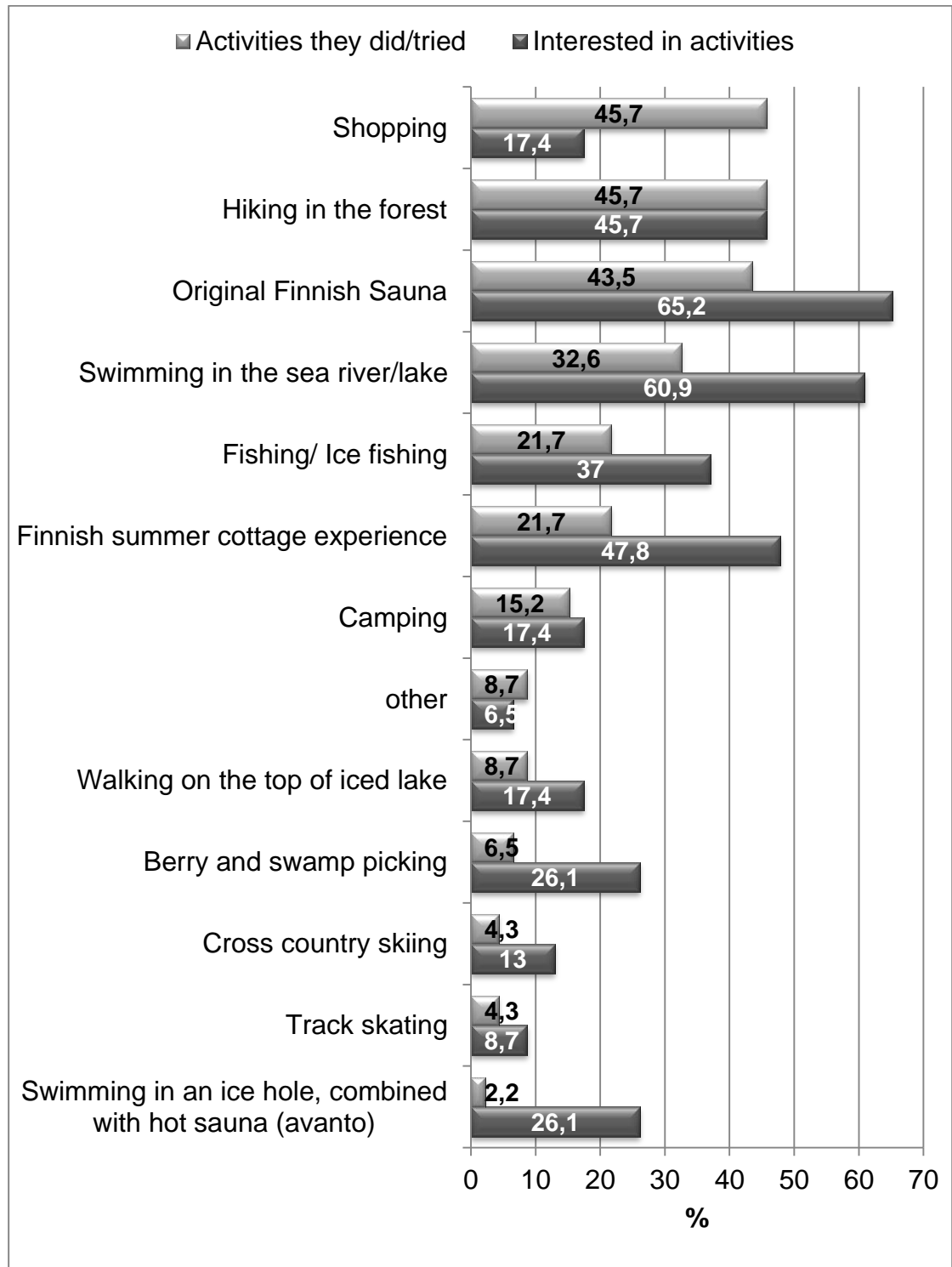


Figure 21 Activities which the respondents did/tried or could be interested in trying

From Figure 21 it is clear that the percentage of interest to try the activities was much bigger than the percentage who actually tried them. It seems that the respondents were willing to try the activities that Kotka has to offer. Other suggested activities that the respondents tried or wanted to try were mushroom picking and biking through the city and nature.

The following figure, Figure 22, shows the average response towards how much they agree or disagree with the statements, where 5 was totally agree, 1 was totally disagree and 3 was neither disagree nor agree.

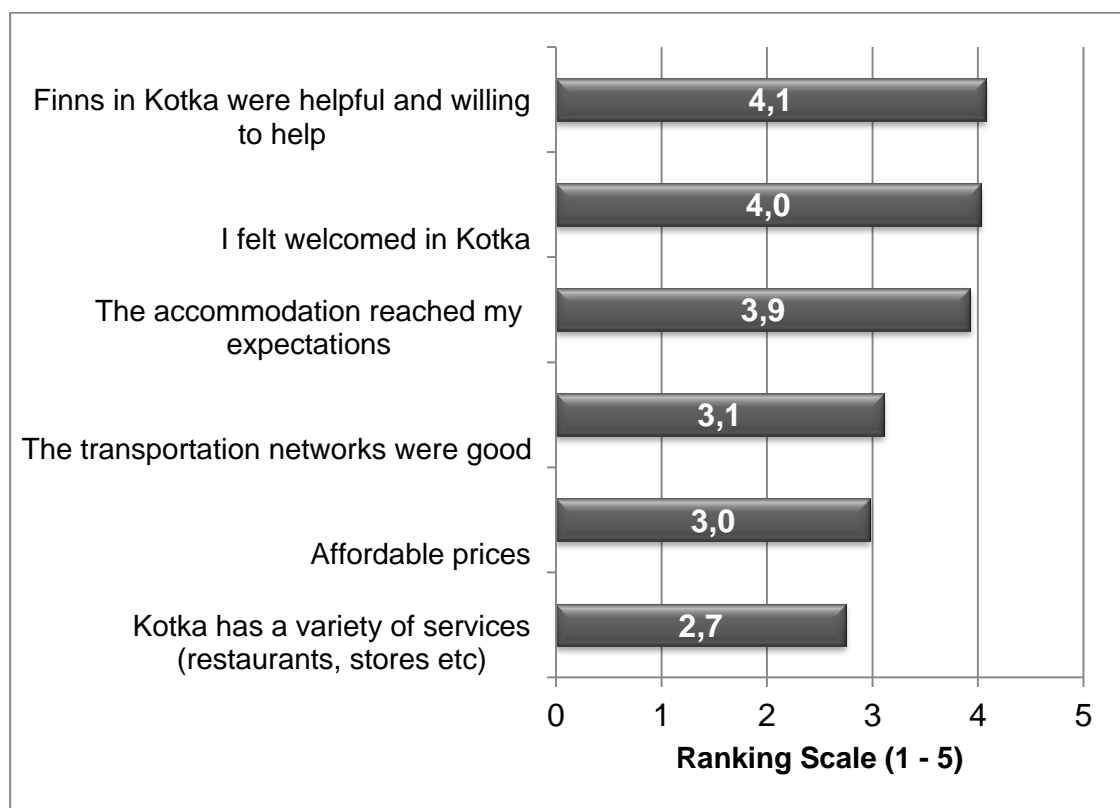


Figure 17 Statements that the respondents had to rank

It is a positive thing that the average response about the attitude of the Finns living in Kotka towards them was positive. It is notable to say that only 5% of the respondents did not agree that the residents of Kotka were helpful and only 7% did not feel welcome in the city.

Also the accommodation offered to the visitors was better than average but 31.7% of the respondents gave negative feedback about them. The most common complaint was that the curtains were not thick enough to cover the daylight at the hotels.



The transportation networks of the city of Kotka were average according to the survey. Almost 20% of the respondents did not answer this question because logically they did not use transportation. From the respondents 24% were not happy with the transportation system and 42% neutral about it.

According to the survey the price level was average but 37.7% of the answerer said that it was expensive. Only 5% totally agreed that the prices were affordable.

The only statement that got ranked below average was the variety of services offered in Kotka. More than half of the respondents said that there is not a variety of services and one in fifth that the variety was average. It is remarkable to say that all the respondents who stayed more than 2 days did not agree that Kotka has a variety of services. It is statistically significant that they two variables are negatively correlated, in other words, the longer the respondent stayed in the city of Kotka the less satisfied he or she was with the service variety offered.

The next figure, Figure 23, shows if the respondents would recommend the city of Kotka as a tourist destination to other people.

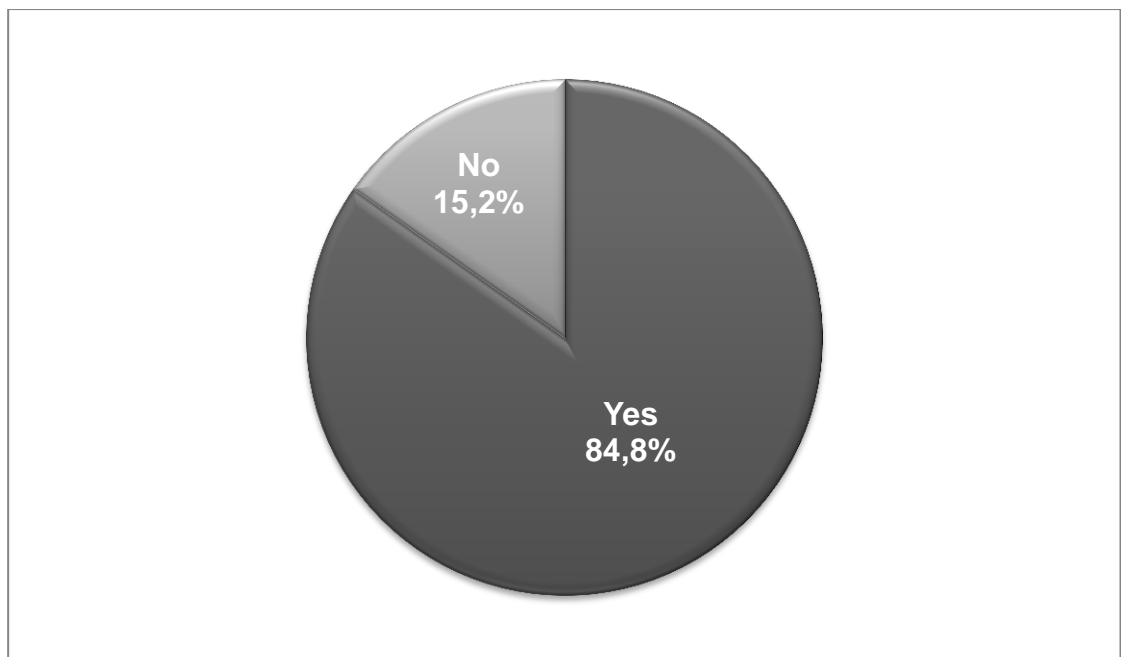


Figure 18 If they would recommend the city of Kotka as a tourist destination

A positive 84.8% would recommend it as a destination. Only three people out of twenty would not recommend it and the most common reason was because the city of Kotka is too small and too quiet. Characteristically a respondent said that “there is nothing to do”.

The respondents had the chance to suggest how to improve or develop the city to attract more tourists from central Europe. Quite few of them required more information about the sightseeing, the hotels, the services and the activities in the German language and the possibility of tours in German language. More advertising to increase awareness was also proposed from a respondent and more services by few others. As the question was an open-ended question the respondents were not very eager to respond.

The respondents also had the opportunity to leave a comment, positive or negative, about their visit in Kotka or the questionnaire. Some of the respondents said how beautiful and nice the area of Kotka is. Others pointed out that the city was too small. Two respondents complained because some of the attractions are closed on Monday. A surprising amount of respondents, wrote that the city of Kotka is worth for a day trip or a short trip while touring in Finland.

### 5.1.2. Analysis

In this subchapter I review the results from the quantitative research and analyses them.

In the research there was almost equal amount of males and females respondents. The research achieved its goal regarding the targeted group of the questionnaire as there was a representative amount of 46 responds from Germany, Switzerland and Austria. The respondents can be divided into two groups according to the age distribution and the reason of visiting the city of Kotka. All the respondents under the age of 30 years visited Kotka for studies so they could form the one group of the respondents. The rest of the respondents, who are all almost more than 40 years old, visited Kotka for pure

holidays. They form the other group and the group that this research focuses mostly on.

It was surprising that the majority visited Kotka only as a passing point and that there were actually comments suggesting that Kotka is only a passing point. The results about the places visited were not the expected ones as very few visited the main attractions of the city of Kotka such as the Maritime Centre Vellamo museum. It is very promising though that the interest about the sights of Kotka was higher than the actual visits. It shows that the respondents are interested but they may did not have the information about them or the time to visit them. From the research it was obvious that the respondents did not have the chance to do any of the possible activities in Finland or were not aware of them at all. The percentage of interest in the activities was much higher than the participation in them. The potential to attract more tourists by the special activities offered in Finland and Kotka is huge. The tourists from central Europe are interested in the nature and in the activities that are not possible in a big and noisy city.

It is very encouraging that the respondents felt welcome in the city of Kotka and that the residents of Kotka are willing to help as interaction with people is an important factor in tourism. In a welcoming environment it is much easier to develop the tourism services. The price level of Kotka was not surprising at all, Finland is considered to have expensive price level but there should be some solution in order to reduce the costs of the tourists. Kotka, according to the survey, has accommodation over the average ranking which serves the existing tourism. The results from the variety of services show the reality of the tourism services in the city of Kotka. There are few services and even fewer on wintertime. Investments on the tourism services should be made in order to increase tourism as Kotka is not ready for them yet.

All in all, the survey showed that Kotka is a nice, beautiful, peaceful small town with friendly people, where there is no action and the city has not much more to offer than a daytrip.

## 5.2. Qualitative research results and analysis

In this subchapter I introduce the interviewees, outline the interviewees and analyse the findings. In both interviewees the interviewer used the same guided questions so I will analyse how the opinions of the interviewees differ or match in different issues.

The first interview was with Riitta Waris, a German speaking guide of the city of Kotka who has guided group and individuals in the city. She was a history teacher when she first got the diploma to be a guide but did not have much time to guide tourists in 1989. Nowadays she is pensioner with more free time to show the city of Kotka and that is why she got the guide licence again in 2010. She started studying the German language just because of interest and stayed in Switzerland for almost 3 years while her husband was working there. Although she did not spend much time in Switzerland she has many contacts and she tries to travel there a lot. She has organized some trips for Finnish people to Switzerland and tries to get travel agencies to organize trips to Switzerland from Finland and vice versa. Riitta became a guide because as she said "I wanted tourists to visit Finland".

The second interviewee was Pirjo Schultz, an entrepreneur who runs a hotel and restaurant in the city of Kotka. She has owned the business for 15 years. Apart from being a Finnish citizen, she is also a German citizen and lived in Germany for 21 years. Because she has lived in Germany and does business in the city of Kotka her opinion was important for this study as she knows the both cultures well. Her hotel has hosted many German speaking tourists because it is easier for them as she speaks German fluently. Many organizations, such as the Kymenlaakso University of Applied Sciences, and individuals, which and who have German speaker guests bring them to her hotel as they know they will get the best service in their own language.

Both interviewees said that although the targeted countries are different and have quite different cultures they could be approached by the same marketing strategies Riitta said that tourists from central Europe are kind, well-behaved and are interested in culture and nature. Pirjo pointed out that their travel and

eating cultures are different and of course more work to satisfy them and serve them should be done compared to the Finns. Both agreed that most of the tourists come to Finland overall because of the beautiful nature and the peaceful sceneries, but the second interviewee also underlined that almost all the visitors who visit Kotka have some contacts with Finland or Kotka. When the interviewees were asked who could be a potential tourist if age is considered, Riitta answered quickly that Kotka is for all ages but then found the pensioners as a better target group to start attracting. Pirjo on the other hand, said that middle-aged people, meaning people aged between 40 and 60 could be interested to visit Kotka. At this point it is worth mentioning that when the interviewees were asked if they know any travel agencies in the targeted countries that the tourist office is cooperating with they both mentioned one travel agency in Switzerland which has Finnish owners and Riitta mentioned also few other also located in Switzerland which promote trips to Finland.

Both of the interviewees agreed that the price level in Finland is expensive compared to the targeted countries and Riitta overall suggested promoting the rather affordable lunch that is offered in Finland in order to balance the prices. Moreover, they also recognized that the city is quite limited in tourism services as restaurants.

When asked what is missing from the city of Kotka for the German speaking tourists, Pirjo confidently replied that everything. She thinks that there are not enough attractions and happenings to attract them. She suggested offering them packages with different activities that they could purchase such as boat cruise, trips to Haapassari, berry picking and so on. Riitta also agreed that Finnish activities should be pointed out and offered to the potential tourists as packages.

The best promotion, for both the interviewees was the personal selling. Someone should show them what the city of Kotka is all about and the possibilities of the city. Pirjo showed me a nice article that was made for another part of Finland and included some text and magnificent pictures and confidentially said "That is what will attract them to Kotka and to Finland in general." She also argued that the city of Kotka could be a good pass point for

the cruise ships that travel to Saint Petersburg and back from Germany and the tours by bus which pass through Finland. Riitta pointed out the importance of word-of-mouth when advertising a tourist destination and she characteristically showed the interviewer a small photo album with pictures of Kotka that she takes with her when travelling and shows it to the people who are interested in Kotka.

When the interviewees were asked about the contribution of the tourism office in Kotka to their work the interviewees disagreed. From the point of view of Riitta, the first interviewee, the tourist office is doing good job and they always try to improve the tourist traffic. Pirjo, the second interviewee on the other hand, completely disagreed. She said that she has participated in many travel fair and happening with the tourist office in Germany but all the relations made were superficial and no results were shown in the tourist traffic from central Europe. She is rather disappointed with their work and she does not believe that they really try to promote the city.

The interviewees agreed in most issues and were able to locate the problem and suggest further improvements. They also disagreed in some points which showed the difference from different business point of views.

## 6. SUGGESTED MARKETING PLAN BASED ON THE FINDINGS

At this chapter I present my recommended marketing plan after considering the theoretical findings and the analysis of the results of the quantitative and qualitative analysis. At this point it is important to remind that this marketing plan does not include the actual budget which would be critical for proper implementation.

### 6.1. Mission and corporate objectives

The city of Kotka is a city located southeast of Finland and has a good potential in tourism. The city is unique because it combines the peaceful and untouched Finnish nature and the special archipelagos of a complex of islands. The city at the moment is not a popular tourism destination especially for German speaking residents of central Europe. There are few tourists visiting mostly because they have some connection with it, usually friends or family; if no action is taken then tourists from that region will not be attracted.

The main corporate objective is to make the city of Kotka more attractive to the tourists from central Europe so that the tourism increases. The goal is to not only attract them but also to be ready to serve them when they arrive and to build strong networks between the tourism services of Kotka and the potential partners in central Europe.

## 6.2. SWOT Analysis

The table shows the SWOT-analysis for the city of Kotka as a tourist destination for tourists from central Europe.

Table 2 SWOT-analysis for the city of Kotka

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• Closeness to nature</li> <li>• Beautiful and pure nature (untouched nature)</li> <li>• Location: close to Russia, only 1,5 hours from Helsinki</li> <li>• Water element (sea, river)</li> <li>• Peaceful</li> <li>• Special activities: sauna, avanto, mushroom or berry picking, cross country skiing</li> <li>• Activities: hiking, skating, fishing, camping</li> <li>• Four seasons</li> <li>• Cottages to rent near the city</li> <li>• Tourist attractions</li> <li>• Finnish spirit and culture</li> </ul>	<ul style="list-style-type: none"> <li>• Small city: not many things to do</li> <li>• Location: far from central Europe, not convenient for tours</li> <li>• Very few services ( restaurants, coffee places)</li> <li>• Expensive price level: no for low budgets</li> <li>• Unpopular destination (unaware of the city)</li> <li>• Lack of action in the city</li> <li>• Extreme temperature on winter</li> <li>• Only few tourist attractions</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>• Winter tourism: beautiful landscapes</li> <li>• Guided tours and activities in German language</li> <li>• Investing on services for tourism</li> <li>• Collaboration with cruise ships and tours that visit Russia</li> </ul>	<ul style="list-style-type: none"> <li>• Weather conditions (cold summer or middle winter)</li> <li>• Language: German, English</li> <li>• Lack of organization</li> <li>• Lack of accommodation facilities</li> </ul>



### 6.3. Profile of the target group

The main target group of this marketing plan will be middle-aged people between 40 and 60 years old who have the money and the interest to experience alternative holidays and appreciate the beauty of the nature and the Finnish culture. The other target group which has all the above attributions plus endless free time are the pensioners who form a growing segment around the world and especially in Europe. Pensioners have all the free time to experience Finland and Kotka throughout the year.

Both target groups are demanding customers who carefully consider their available option and the money for value they get. They are demanding as they have the power of money, compared for instance with young people who are not so demanding, and expect the best quality or at least the promised quality. They are eager to try new things and activities, especially the pensioners, because it makes them feel good and young and they enjoy beautiful and peaceful scenery. The city of Kotka could be an ideal place for their holidays.

The city of Kotka at the moment is not ready to host the above target groups as a final destination. For that reason it is important to include Kotka as a destination for a short stay into the organized tours from central Europe for groups around the Finland, into tours which visit Saint Petersburg for Germany by cruise ships or buses, and into the travel plans of the individuals travellers from central Europe who travel through Finland or Scandinavia with their mobile homes or own cars.

Kotka needs to make some changes to improve its tourism services in order to be more attractive to German speaking tourists from central Europe and it can begin by making them aware of its existence and being included as a destination to already existing tours.

The other segment of this study was the exchange students who visited Kotka for studies. Although they gave valuable information about the preferences and the wants of the tourists from central Europe they are not targeted in this

marketing research. Exchange students are mostly attracted by the educational institute they go on exchange. What the city of Kotka can do is by implementing this suggested marketing plan to make their stay as pleasant as possible as they would be a great promotion for the city after going back to their countries and share their experiences with family and friends. The educational institutions and the tourist info of Kotka should cooperate to provide a nice time for the exchange students. This strategic marketing plan is not targeting them directly.

#### 6.4. Marketing objective and marketing strategy

The marketing objective is product/service development as tourists from central Europe are not a new market but the services offered to them should be updated and other services should be added. In order to attract more Germans, Swiss and Austrians to the city of Kotka new services which will best serve them have to be developed and old services should be modified to much their needs. On the next subchapter the means that should be used will be described.

The marketing strategy in order to achieve the marketing objective will be outlined on the 7P's of the marketing for services below. Some strategies are overlapping in the 7 elements because the elements are interconnected.

##### 6.4.1. Customer service strategy

The empirical part showed that the city of Kotka is not ready yet for the tourists from central Europe because the tourism service offered are limited and there is no organized plan for them. Some basic improvements should be made into the services offered in order to attract them. Moreover, investments in the tourism and service sector should be encouraged.

Activities, such as the ones listed in the table 3, should be organized by the tourist office and listed into the services. There should always be a guide or a group leader to show them how to do the activities and give information about

the Finns and the Finnish culture. Some of the activities that are easy for an individual to do by him- or herself should just be promoted and information about where and when they can be tried should be given, for instance where the visitors could try the original Finnish sauna. If the guidance is in German language then also the tourists will be more pleased.

Table 3 Different activities that can be done in the city of Kotka

Activities
Original Finnish Sauna
Finnish summer cottage experience
Swimming in the sea river/lake
Berry and swamp picking
Fishing/ Ice fishing
Hiking in the forest
Mushroom picking
Camping
Swimming in an ice hole, combined with hot sauna (avanto)
Track skating
Cross country skiing
Walking on the top of iced lake
Biking

Kotka has quite many attractions but the most tourists do not get much information about them and they usually miss them. Moreover, in order to attract for instance more visitors to the Maritime Centre Vellamo there should be a scheduled guidance in the German language every week or every four days that the tourist could just show up and follow it. For all the big attraction of the city there should be scheduled tours in German language or at least in English.

The most convenient method of buying a holiday nowadays is to buy packages which include everything to cover the needs of the tourist. In this case, there could be packages which would include all the attractions of the city with a single fee or some of the activities mentioned above with a single

fee or a combination of attractions and activities. There should be a combined ticket which would provide entrance to the selected sights and activities. There should also be a bus ticket or card for the tourist which will offer unlimited use for a certain period with a certain fee. In that way it will be much easier for the tourist to use the local transportation. Also, the schedules of the transportation should be at least in the English language if not in German.

There should be available packages which will cover the whole holidays, as well. The package will include accommodation, transportation, entrance fees to the attractions, guided tours and participations to activities, in other words an all-inclusive package.

#### 6.4.2. Cost strategy

Overall Finland is considered to have expensive price level and is not suggested as a low budgeted tourism destination. That is the fact and the services cannot lower the prices as they will not be able to cover their costs. It is also important to understand that tourist appreciate value for money.

Collaboration of the accommodation providers, the travel agencies and the activity providers can offer an affordable package price that the potential tourists would be interested to buy. All kind of packages with several activities or attractions tend to be cheaper in the eye of the tourists as it gives them the opportunity to do more even if they do not use it. As mentioned above in the customer service strategy providing packages will attract customers and will reduce the prices.

A bus card for tourists will not only be easy to use but it will also be worth the money. There should be a bus card or ticket for tourists in which the price for unlimited use will increase incrementally depending on how many days they will use them as shown for example on table 4.

Table 4 Example of pricing for the tourist bus card or ticket

Kotka tourist travel card	
For one day	€7.00
For two days	€12.00
For three days	€15 .00
Every extra day	+€4 .00
For a week	€24 .00

Tourists from central Europe are very careful how they spend their money. In order to get value for money the brochure should include all the possible prices for the activities, entrance fees etc. Moreover, it should include a rating system for the restaurants and coffee places listed in the brochure. With just a small sign beside the opening hours they could give a first impression of how much the tourist has to pay if going to that restaurant or bar. I created an example of how to rate them on Table 5. For the restaurant the criterion used is the average price of the main courses and for the bar the average price of the beer.

Table 5 Example of how to use the symbol to show the price level

Restaurants	Bars	Symbol
Average price of a main course	Average price of a beer (500ml)	
About €10.00	Less than €4.00	€
About €20.00	Less than €7.00	€€
About €30.00	Less than €9.00	€€€
More than €30.00	More than €9.00	+€€€

Overall, the costs should be visible to the tourists, especially to German speaking tourists from central Europe as they are very careful with the use of money, and cooperation between different services should be made in order to offer affordable packages.

#### 6.4.3. Convenience strategy

It is very important to have convenient distribution channels for the services offered. First of all, a united online booking system should be created on the official website of the city of Kotka. The potential tourists will be able to purchase online the different packages offered, the bus cards and all the other tourism services. In that way the potential tourist could easily find information about the city of Kotka and at the same time book the holiday. Online booking is very common and popular nowadays so Kotka should follow the trend.

Secondly, although internet booking is widely spread, some people, especially pensioners, prefer to book their holidays at a travel agency in person with the employee there. It is vital to create relations with travel agencies of the targeted countries. Making relations with all the travel agencies in Germany, Switzerland and Austria is not possible for that reason the relation should first start on the sister or twin cities found in those countries and then step by step according to the demand expanding to the around cities.

Last but not least, it is important that the tourists could also buy the packages when they get to the destination, so the tourist info on Kotka should have a place where those packages or services in general will be sold in person.

It is also relevant to remind that all the printed or online material should have, on a visible place, the contact information of the tourist info office so that the tourists can always contact them and be advised.

#### 6.4.4. Communication strategy

Kotka is not a popular destination for the tourists from central Europe and the majority is not aware of the city. It is vital to communicate the city of Kotka as a tourism destination to the targeted countries. I suggest a few methods that can increase awareness and a few improvements of the existing communication strategies.

First, the brochure of the city of Kotka is very helpful and useful and it is great that it is also available in the German language. Some improvements suggestions are to add the timetables of the motor vessels and the local transportation in the English or German language. Moreover, more maps should be included to show where exactly different attractions and activities are placed and done. The possible activities should be pointed out and more information should be provided. Additionally, as mentioned in the cost strategy above, a price rating should be added beside the restaurants and the bars listed in the brochure to give an overlook to the tourists about the price level. Plus, the top 10 things to do while in Kotka depending on the season should be added to provide some guidance to the tourists. It is considerable not only to have a great brochure but also to distribute it in the right places. The brochure should be at least available at the travel agencies of the sister or twin cities in the targeted countries.

Teamwork with the travel agencies in the targeted countries is vital in order to promote the city. They will be the first contacts the tourists make and the ones, who can suggest the packages, promote the city of Kotka and include the city to the existing tours towards Scandinavia, Finland or Saint Petersburg.

The official internet pages of the city of Kotka could be translated in German and provide the same if not more information than the brochure. The pages are definitely missing a photo gallery with pictures of the city of Kotka. There is a saying that *one picture is worth a thousand words* so why not showing the tourists all the beauty of the city.

Personal selling is effective to the age of the targeted group. The people in charge of the tourism in Kotka should invite article writers, journalists, from the targeted countries to experience a few days in the city of Kotka and write about their experiences. The same article should include pictures and a small advertisement according to the budget. Before inviting the writers it is important that the city is ready to host tourists from central Europe so that the feedback from the writers will be positive and promote the city.

Last but not least, internet advertisement according to the budget should be used. More and more people book their holidays online and search information about possible destinations online so the city of Kotka should be present. Ads should be for instance added into different holiday booking systems, in the websites of travel agencies and in Google ads.

#### 6.4.5. People

As mentioned before for the customers the staff is the mirror of the service and the organization. The staff should be helpful and cheerful. They should make the customer feel unique and welcomed, for instance by greeting them in their own language or by smiling. All the people working in tourism services should be aware of how important is the first impression and that the needs and wants of the tourists should be satisfied to the maximum. Tourists are a walking promotion when getting back from the holidays.

The people working in the services should have language skills, at least good English level if not German language. It is very important that the guides and group leaders speak German or very good English in order to inform the tourists in the best possible way. Language skills are very important in tourism services.

It is essential also to remember the partners which will be located far away from the city of Kotka, for instance the travel agencies in Germany, Switzerland and Austria. It is important to pick the correct partners who share the same values of tourism services. Travel agencies will be the first representatives of the place that the potential tourists will be in contact with. It is important that the people working there listen to them and find the best solutions in order to satisfy their needs. Those people should promote the possibilities and the strengths of the city of Kotka.



#### 6.4.6. Process

The service delivering process of tourism services is highly linked to the staff offering it and because the process is also connected to the outcome the whole touristic experience is interconnected with the people serving it. Unfortunately the outcome of the tourism experience cannot be measured but only evaluated from the feedback of the customers. The process should be as clear and easy as possible. The language skills are also important in this element so if the process could be in German language it would be more convenient for the tourists from central Europe otherwise good English should be used.

#### 6.4.7. Physical evidence

The first physical evidence is given out during the purchasing process of a tourism service, the documentation of the purchase and the brochures of the destination, including the accommodation, the attractions and the services available. The above are the first evidences that the tourist gets so the brochures should be carefully planned to inform and to excite the customers, preferably in their own language.

The other physical evidences that the tourist gets is when he or she gets to the purchased destination, mostly photographs, more brochures and souvenirs or gifts. All the evidences reserved at the location apart from good reminders of the holiday are also great promotion for the place as tourists share them with their friends and family. The only way that the physical evidences can be affected by the organizers is to make their stay pleasant and show them the best spots to take pictures.

### 6.5. Implementation

In order to implement the above strategies it will take time and money. The people who are in charge of the tourism in the city of Kotka should carefully consider all the available strategies and options to develop the city as a tourist destination for people from central Europe and, depending on the budget, to

start building step by step everything that is missing from the city and its networks.

Moreover, in order to implement a strategic marketing plan as the above there should be powerful people with vision about the city of Kotka and, of course, collaboration between the existing services of the city (accommodation, restaurants, activities clubs, transportation, attractions), the tourism board of the city and the city of Kotka itself to deliver the best results. Networking with the targeted countries is also vital to be able to complete the marketing plan.

## 7. CONCLUSIONS

This chapter summarizes the process of the thesis, will summarize the answers to the research questions, will show the validity and reliability of the research and will make suggestions for further research.

### 7.1. Major finding

The purpose of this thesis was to create an strategic marketing plan to attract more German speaking tourists from central Europe to the city of Kotka, which is located southeast in Finland, for Cursor Oy. The research was carried out in forms of questionnaires and two unstructured interviews. The theoretical review consists of literature review about tourism, marketing and marketing plan for tourism services. The empirical part consists of analysis of both quantitative and qualitative researches, and as an outcome of this study there is a suggested marketing plan.

Through the literature review the I decided that the best marketing planning process that can be used in tourism is the one were the 4 main P's of the marketing mix and replaced by the 4C's, the customer service, the cost, the communication and the convenience. The expanded marketing mix for services which included the people, the process and the physical evidence were also used by to complete the marketing plan process.

As far as the interests and needs of the German speaking tourists from central Europe go, according to the questionnaire, they were interested in the Finnish nature and the possible unique activities that they could do in it. Also, more than half of them were interested in the Finnish culture such as the Maritime Vellamo Centre museum and the Maritarium aquarium. The best target group, at this moment, to target and try to attract to the city of Kotka are people over 40 years old who have the money, the time and the interest to travel to Finland and Kotka.

In chapter six, there is an analytical analysis identification of the external strengths and weaknesses as well of the internal opportunities and threats. The findings showed that the city of Kotka is not ready yet to welcome German speaking tourists from central Europe, at least not as a final destination, as the tourism services of the city are limited and the needs and interests have not been considered. Some investments should be made in the tourism services of the city in order to have more restaurants for example.

The main research question was answered by the suggested marketing plan that she outlined in chapter six. It is important to point that the proposed marketing plan does not include the actual budget that should be used when implementing the plan. The plan includes all the steps that the people in charge and the tourism office of the city of Kotka should take in order to make the city more attractive to tourists from central Europe and promote the city to them.

I believe that during this study the research question and the sub questions presented in the beginning of this thesis were answered and the outcome of the study is a concrete marketing plan. Moreover, I assume that this thesis has met its expectations.

## 7.2. Validity and reliability

Validity and reliability can easily be described by comparing them to a clock. A clock that always shows the correct time is both valid and reliable. A clock that is always ten minutes late is not valid because the time is incorrect but it is

always ten minutes late so it is reliable. A clock that is inconsistent by being sometimes early and sometimes late is neither reliable nor valid. A researcher should always aim for both validity and reliability in his or hers research. Validity is the most important from the two criteria. Out of the two criteria validity is considered more critical but both are important. (Webb 2002, pp.33-35, 148)

This research used both quantitative and qualitative research. Quantitative research is easier to evaluate than qualitative research. For the quantitative research, the amount of received responses was relatively high considering the amount of tourists from central Europe who visit Kymenlaakso area every year. Also invalid forms, that for example these in which background questions were not completed, were not taken into consideration. If the research was conducted again the results would most probably be the same as the results showed united attitudes and responses. The above brings reliability as well as validity into the quantitative research results.

On the other hand, the time spent for this research also does not provide the same reliability than those studies which have been done in a period of several years or several months, but the questionnaire of this research was distributed from late spring to early autumn which is the peak season of tourism and when the turnover of the responses is the highest. So taking into account the time this quantitative research was conducted it has higher validity than reliability but it is both reliable and valid.

For the qualitative part, qualitative interviews were used to gather in-depth information about the tourists from central Europe and the current situation of the city of Kotka. The persons chosen for the interviews were suitable choices to give information as they are close to the targeted groups through their jobs. At the same time the first interviewee gave valuable information about the opinions and comments of the tourists while in the city after the guided tours. The second interviewee, on the other hand, gave beneficial information as a businesswoman of the city in tourism services. Because of the above reasons the qualitative research was both reliable and valid as well.

At this point it is important to mention that I do not speak German and the questionnaire was translated by third parties, as well as the answers of the respondents. The third parties were native speakers of the German language so it should not affect the quality of the thesis

### 7.3. Suggestions for further research

During this study there were many subjects that needed further research. Unfortunately, in order to have a concrete outcome this research had to be limited. I felt that there was limited literature which referred to marketing plan for tourism services and who she concentrated in creating a marketing plan to make a city more attractive. Also, information about the touristic behaviour and updated tourism statistics were difficult to find about tourists from central Europe in the English language.

In addition, some investments have to be made by the city of Kotka while implementing the suggested marketing plan. More consideration and planning should be used in every step. I believe that the most important further research is to find the most suitable business partners in the targeted countries. It will be interesting thus productive to research what the travel agencies located in Germany, Austria and Switzerland think about promoting the city of Kotka and cooperating with the tourist office of Kotka. Their opinion will give light from a different point of view in this study and towards marketing the city of Kotka overall.

To conclude, the knowledge of the field of marketing plan for tourism services is still quite limited and for that reason there are still challenging further studies that can be made.

## REFERENCES

Anttila, E 2011, "Miten markkinoida Kotkaa?"( How to market Kotka?), Kymensanomat, p.6.

Tourism review 2011, Austrian Travellers: Holiday planning behaviour, viewed 12 July 2011, < <http://www.tourism-review.com/austrian-travelers-holiday-planning-behavior-news2735>>

Chisnall, P 2005, *Marketing Research*, 7<sup>th</sup> edn, McGraw-Hill, London Cohen, L, Manion, L & Morrison, K 2007, *Research Methods in Education*, Routledge, Great Britain

Federal Statistical Office Germany 2010, *Travel behaviour*, viewed 14 July 2011, <[http://www.destatis.de/jetspeed/portal/cms/Sites/destatis/Internet/EN/Content/Publikationen/STATmagazin/Transport/2008\\_2/PDF2008\\_2,property=file.pdf](http://www.destatis.de/jetspeed/portal/cms/Sites/destatis/Internet/EN/Content/Publikationen/STATmagazin/Transport/2008_2/PDF2008_2,property=file.pdf)>

Finnish Tourism Board 2011, *Finnish Tourism Board*, Finnish Tourism Board MEK, viewed 18 September 2011, <[http://www.mek.fi/w5/meken/index.nsf/\(Pages\)/Home](http://www.mek.fi/w5/meken/index.nsf/(Pages)/Home)>

Gilligan, C & Wilson, R 2009, *Strategic Marketing Planning*, 2<sup>nd</sup> edn, Macmillan Publishing Solutions, Great Britain

Hollensen, S 2010, *Marketing research: an international approach*, Pearson Education, England

Holloway, J, C 2002, *The business of tourism*, 6<sup>th</sup> edn, Pearson Education, England

Jobber, D. 2010, *Principles and Practice of Marketing*, 6<sup>th</sup> edn, Mc Graw-Hill Companies, England

Kotka City tourism Office, Kotka city by the sea 2011, brochure, Kotka

Kotka 2011, *Kotka city by the sea*, The city of Kotka, viewed 19 September 2011, <[http://www.kotka.fi/in\\_english](http://www.kotka.fi/in_english)>

Kotler, P 2000, *Marketing management*, millennium edn, Pearson Prentice Hall, New Jersey

Kotler, P & Armstrong, G 2007, *Marketing: An introduction*, 8<sup>th</sup> edition, Pearson Education, New Jersey

Kotler, P, Bowen, J & Makens, J 2006, *Marketing for hospitality and tourism*, 4<sup>th</sup> edn, Pearson Prentice Hall, New Jersey

Kotler, P & Keller, K 2009, *Marketing Management*, 13<sup>th</sup> edn, Prentice Hall, New Jersey

McDonald, M & Payne, A 1997, *Marketing planning for services*, Butterworth Heinemann, Oxford

McDonald, M 2007, *Marketing Plans: How to prepare them, how to use them*, 6<sup>th</sup> edn, Elsevier, USA

Middleton, V, Fyall, A, Morgan, M & Ranchhod, A 2009, *Marketing in travel and tourism*, 4<sup>th</sup> edn, Butterworth-Heinemann, UK

Middleton, V & Clarke, J 2002, *Marketing in travel and tourism*, Butterworth-Heinemann, UK

Moilanen, T & Rainisto, S 2009, *How to brand nations, cities and destinations: A planning book for place branding*, Palgrave Macmillan, England

Muijs, D 2004, *Doing quantitative research in education with SPSS*, Nelli Ebrary, viewed 20 September 2011, <<http://site.ebrary.com.xhalax->

[ng.kyamk.fi:2048/lib/kyam/docDetail.action?docID=10080884&p00=quantitative%20research](http://ng.kyamk.fi:2048/lib/kyam/docDetail.action?docID=10080884&p00=quantitative%20research)>

Neuchâtel 2009, *Travel behaviour of the Swiss resident population in 2008*, The Federal Authorities of the Swiss Confederation, viewed 12 July 2011, <<http://www.admin.ch/aktuell/00089/index.html?lang=en&msg-id=30237>>

Ritchie, W, Burns, P, Palmer, C 2005, *Tourism Research Methods: Integrating theory with Practice*, Nelli Ebrary, viewed 20 September 2011, <<http://site.ebrary.com.xhalaxng.kyamk.fi:2048/lib/kyam/docDetail.action?docID=10091317&p00=tourism%20research>>

Schultz Pirjo, Interviewed by Avanidis, S, 21 August 2011

Silverman, D 2005, *Doing qualitative research*, 2<sup>nd</sup> edn, Sage Publications, London

Publicitas 2009, Swiss travel Behaviour, viewed 13 July 2011, <[http://www.publicitas.com/fileadmin/uploads/swisspress/Tourismus\\_E\\_2009.pdf](http://www.publicitas.com/fileadmin/uploads/swisspress/Tourismus_E_2009.pdf)>

The world factbook 2011, Central Intelligence Agency CIA, viewed 15 September, < <https://www.cia.gov/library/publications/the-world-factbook/>>

Visit Finland 2011, *Kotka City by the sea*, Finnish Tourist Boarder, viewed 18 September, <<http://www.visitfinland.com/web/guest/finland-guide/where-to-go/southern-finland/municipalities/detail/-/article-detail/10123/69417>>

Waris Riitta, Interviewed by Avanidis, S, 19 August 2011

Webb, R, John 2002, *Understanding and designing market research*, 2<sup>nd</sup> edn, Cengage Learning Business Press, London.

Westwood, J 2006, *How to write a marketing plan*, 3<sup>rd</sup> edn, Kogan Page, Great Britain



Wood, M, B 2004, *Marketing Planning: Principles into practice*, Prentice Hall, New Jersey

Zeithaml, V, Bitner, M & Gremler, D 2009, *Services marketing: Integrating customer focus across the firm*, 5<sup>th</sup> edn, Mc-Graw Hill, Boston

## Questionnaire in English language

**ATTITUDES AND PREFERENCES OF GERMAN SPEAKING TOURISTS FOR KOTKA  
Survey 2011**

Please complete this brief 10-minute survey about your experiences as a tourist in Kotka area. This survey is conducted by a student of Kymenlaakso University of Applied Sciences and has as a goal to improve tourism services in Kotka for German speaking tourists. If you have any questions or concerns, please contact Sabrina Avavidis at +358440227464 or [sabrina.avavidis@student.kyamk.fi](mailto:sabrina.avavidis@student.kyamk.fi).

Your answers are completely anonymous and confidential. Please circle your answer(s).

**1. How did you find information about Kotka** (more than one answer may apply)?

- |                  |                         |
|------------------|-------------------------|
| a. Friends       | b. Relatives/Family     |
| c. Travel agency | d. Kotka's own brochure |
| e. Internet      | f. Magazine/Newspaper   |
| g. Radio         | h. Other, what: _____   |

**2. Which places have you visited in Kotka** (more than one answer may apply)?

- 2.1. Langinkoski Imperial Fishing Lodge
- 2.2. Maritime Centre Vellamo (museums)
- 2.3. Maretarium (aquarium)
- 2.4. Parks (e.g The Sapokka water garden, Katariina Seaside Park)
- 2.5. Haukkavuori Lookout Tower
- 2.6. An island of Eastern gulf of Finland (e.g. Varissaari, Kaunissaari )
- 2.7. Shopping centres
- 2.8. Other, what: \_\_\_\_\_

**3. Which places would interest you** (include the places you have visited and liked and the places you would like to visit; more than one answer may apply)?

- 3.1. Langinkoski Imperial Fishing Lodge
- 3.2. Maritime Centre Vellamo (museums)
- 3.3. Maretarium (aquarium)
- 3.4. Parks (e.g The Sapokka water garden, Katariina Seaside Park)
- 3.5. Haukkavuori Lookout Tower
- 3.6. An island of Eastern gulf of Finland (e.g. Varissaari, Kaunissaari )
- 3.7. Shopping centres
- 3.8. Other, what: \_\_\_\_\_

**4. Which of the following Finnish activities did you try in Kotka** (more than one answer may apply)?

- 4.1. Original Finnish Sauna
- 4.2. Finnish summer cottage experience
- 4.3. Swimming in the sea river/lake
- 4.4. Berry and swamp picking
- 4.5. Fishing/ Ice fishing
- 4.6. Hiking in the forest

- 4.7. Shopping
- 4.8. Camping
- 4.9. Swimming in an ice hole, combined with hot sauna (avanto)
- 4.10. Track skating
- 4.11. Cross country skiing
- 4.12. Walking on the top of iced lake
- 4.13. Other,

what: \_\_\_\_\_

**5. Which of the following Finnish activities would interest you** (include the activities you have done and liked and the activities you would like to do; more than one answer may apply)?

- 5.1. Original Finnish Sauna
- 5.2. Finnish summer cottage experience
- 5.3. Swimming in the sea river/lake
- 5.4. Berry and swamp picking
- 5.5. Fishing/ Ice fishing
- 5.6. Hiking in the forest
- 5.7. Shopping
- 5.8. Camping
- 5.9. Swimming in an ice hole, combined with hot sauna (avanto)
- 5.10. Track skating
- 5.11. Cross country skiing
- 5.12. Walking on the top of iced lake
- 5.13. Other, what:

\_\_\_\_\_

**6. Which alternative describes best your opinion concerning the following statements?**

	Totally disagree	Somewhat disagree	Not disagree or agree	Somewhat agree	Totally agree
<b>6.1. The transportation networks were good</b>	1	2	3	4	5
<b>6.2. Affordable prices</b>	1	2	3	4	5
<b>6.3. Finns in Kotka were helpful and willing to help</b>	1	2	3	4	5
<b>6.4. I felt welcomed in Kotka</b>	1	2	3	4	5
<b>6.5. Kotka has a variety of services (restaurants, stores etc)</b>	1	2	3	4	5
<b>6.6. The accommodation reached my expectations</b>	1	2	3	4	5

**7. What is missing or should be improved/developed in Kotka to attract more German speaking tourists in your opinion?**

\_\_\_\_\_

\_\_\_\_\_

**8. Would you recommend Kotka as a tourist destination:**

- a. Yes
- b. No. **Why, please give at least one reason:**

---

---

**9. Any other comments:**

---

---

---

---

**Background Information:**

**10. Age:**

---

**11. Gender:**

Male    Female

**12. Nationality/Country of origin:**

---

**13. How long was your visit in Kotka?**

- a. 1-2 day
- b. 3-5 days
- c. 1-2 weeks
- d. Longer

**14. Reason of the trip:**

- a. Business
- b. Leisure
- c. Visiting Relatives/Friends
- d. Study
- e. Other, what: \_\_\_\_\_

**15. Which time of the year have you visited Kotka: ( more than one answer may apply)**

- 15.1. Spring
- 15.2. Summer
- 15.3. Autumn
- 15.4. Winter

**16. Accommodation type:**

- a. Hotel , which one: \_\_\_\_\_
- b. Camping area
- c. Relatives/Friends
- d. Own accommodation (owned/rented)
- e. Other, what: \_\_\_\_\_

**THANK YOU FOR YOUR TIME! ☺**

**Umfrage zur Analyse des Tourismus-Verhaltens deutschsprachiger Touristen in Kotka (2011)**

Wir bitten Sie diesen kurzen 10-minütigen Fragebogen über ihre Erfahrungen als Besucher in Kotka zu beantworten. Diese Umfrage wurde von einer Studentin der University of Applied Sciences Kymenlaakso erstellt und hat das Ziel den Touristen-Service in Kotka für deutschsprachige Touristen zu verbessern.

Wenn Sie Fragen oder Bedenken haben sollten, können Sie Sabrina Avanidis kontaktieren: +358440227464 oder [sabrina.avanidis@student.kyamk.fi](mailto:sabrina.avanidis@student.kyamk.fi). (Kommunikation in Englisch)

Ihre Antworten werden anonym und vertraulich behandelt. (Bitte kreisen sie zutreffendes ein.)

**17. Wie haben Sie Informationen über Kotka bekommen?** (mehr als eine Antwort kann zutreffen)

- |              |                      |
|--------------|----------------------|
| i. Freunde   | j. Verwandte/Familie |
| k. Reisebüro | l. Kotka Broschüre   |
| m. Internet  | n. Magazine/Zeitung  |
| o. Radio     | p. Sonstige:_____    |

**18. Welche Sehenswürdigkeiten haben sie in Kotka besucht?** (mehr als eine Antwort kann zutreffen)

- 18.1. Das Kaiserliche Fischerhaus Langinkoski
- 18.2. Maritimzentrum Vellamo (Museum)
- 18.3. Maretarium (Aquarium)
- 18.4. Parkanlagen (z.B. Wassergarten Sapokka, Meerespark Katariina)
- 18.5. Aussichtsturm Haukkavuori
- 18.6. Besuch einer Insel im östlichen Golf Finnlands (z.B Varissaari, Kaunissaari)
- 18.7. Einkaufszentren
- 18.8. Sonstige:\_\_\_\_\_

**19. Welche Sehenswürdigkeiten würden Sie interessieren?** (Kreuzen Sie ebenfalls die Orte an, die Sie bereits besucht und gemocht haben)

- 19.1. Das Kaiserliche Fischerhaus Langinkoski
- 19.2. Maritimzentrum Vellamo (Museum)
- 19.3. Maretarium (aquarium)
- 19.4. Parkanlagen (z.B. Wassergarten Sapokka, Meerespark Katariina)
- 19.5. Aussichtsturm Haukkavuori
- 19.6. Besuch einer Insel im östlichen Golf Finnlands (z.B Varissaari, Kaunissaari)
- 19.7. Einkaufszentren
- 19.8. Sonstige:\_\_\_\_\_

**20. Welche der folgenden Aktivitäten haben Sie in Kotka ausprobiert?** (mehr als eine Antwort kann zutreffen)

- 20.1. Besuch einer originalen finischen Sauna
- 20.2. Besuch eines finnischen Ferienhauses
- 20.3. Schwimmen im See oder Fluss
- 20.4. Beeren sammeln
- 20.5. Angeln/ Eisangeln
- 20.6. Waldspaziergang
- 20.7. Einkaufen

- 20.8. Zelten  
 20.9. Eisschwimmen kombiniert mit einem Saunagang  
 20.10. Eislaufen  
 20.11. Ski-Langlauf  
 20.12. Spaziergang auf einem zugefrorenen See  
 20.13. Sonstige\_\_\_\_\_

—

**21. Welche der folgenden finischen Aktivitäten würde Sie interessieren?** (bitte ebenfalls ankreuzen was sie bereits getan haben und mochten)

- 21.1. Besuch einer originalen finnischen Sauna  
 21.2. Besuch eines finnischen Ferienhauses  
 21.3. Schwimmen im See oder Fluss  
 21.4. Beeren sammeln  
 21.5. Angeln/ Eisangeln  
 21.6. Waldspaziergang  
 21.7. Einkaufen  
 21.8. Zelten  
 21.9. Eisschwimmen kombiniert mit einem Saunagang  
 21.10. Eislaufen  
 21.11. Ski-Langlauf  
 21.12. Spaziergang auf einem zugefrorenen See  
 21.13. Sonstige\_\_\_\_\_

**22. Bitte kreuzen Sie zutreffendes an?**

	Ich stimme überhaupt nicht zu	Ich stimme nicht zu	Ich stimme teilweise zu	Ich stimme zu	Ich stimme sehr zu
<b>22.1. Die öffentlichen Verkehrsmittel sind gut ausgebaut</b>	1	2	3	4	5
<b>22.2. Die Preise waren angemessen</b>	1	2	3	4	5
<b>22.3. Die Einheimischen in Kotka waren hilfsbereit und freundlich</b>	1	2	3	4	5
<b>22.4. Man hat sich jederzeit in Kotka willkommen gefühlt.</b>	1	2	3	4	5
<b>22.5. Kotka hat ein breites Angebot an Restaurants, Geschäften etc.</b>	1	2	3	4	5
<b>22.6. Die Unterkunft hat meinen Erwartungen entsprochen</b>	1	2	3	4	5

**23. Haben Sie Verbesserungsvorschläge um Kotka für deutschsprachige Touristen attraktiver zu machen?**

---

---

---

**24. Würden Sie Kotka als Urlaubs- oder Reiseziel empfehlen?**

- c. Ja
- d. Nein. **Bitte geben Sie mindestens einen Grund an:**

---

---

**25. Weitere Kommentare:**

---

---

---

**Allgemeine Informationen:**

**26. Alter:** \_\_\_\_\_ **27. Geschlecht:** Männlich Weiblich **28. Nationalität:** \_\_\_\_\_

**29. Wie lange war Ihr Aufenthalt in Kotka?**

- e. 1-2 Tage
- f. 3-5 Tage
- g. 1-2 Wochen
- h. Länger

**30. Anlass der Reise:**

- f. Geschäftlich
- g. Urlaub
- h. Verwandte/ Freunde besuchen
- i. Studium
- j. Sonstige: \_\_\_\_\_

**31. Zu welcher Jahreszeit haben Sie Kotka besucht? (mehr als eine Antwort kann zutreffen)**

- 31.1. Frühling
- 31.2. Sommer
- 31.3. Herbst
- 31.4. Winter

**32. Art der Unterbringung:**

- f. Hotel, (welches) : \_\_\_\_\_
- g. Zeltplatz
- h. Verwandte/Freunde
- i. Eigene Unterkunft (Eigentum/Miete)
- j. Sonstige: \_\_\_\_\_

**Vielen Dank, dass Sie sich die Zeit genommen haben! ☺**

- What connections you have with the targeted countries (Germany, Switzerland, and Austria)?
- How do Germans, Austrians, Swiss behave as tourists?
- Can they be approached by the same means?
- What are they keen on when they are here?
- Are they happy when they live?
- What should be improved in the city to attract them?
- Who productive or helpful is the tourist office of Kotka? Their services?
- Who could be the potential tourists?
- What is the best promotion method in your opinion?
- Price level? Tourism services availability?
- Are the residents of Kotka friendly?